

# *The* NATIONAL UNDERWRITER



*REINSURANCE makes a basic contribution  
to the strength of the Insurance Industry*



## GENERAL REINSURANCE GROUP

Largest American multiple line market  
dealing exclusively in Reinsurance

GENERAL REINSURANCE  
CORPORATION  
Casualty • Fidelity  
Surety

NORTH STAR REINSURANCE  
CORPORATION  
Fire • Inland Marine  
Ocean Marine

90 JOHN ST., NEW YORK 7

THURSDAY, APRIL 6, 1950



# Mind Your Own Business

*Warns Harry Hazard*

That is HARRY HAZARD's advice this month to operators of manufacturing plants. HARRY adds that, "If you don't mind it, nobody else will do it for you."

In quick, clear illustrations in this month's issue of *THE AMERICAN PROTECTOR* (excerpts on right) HARRY HAZARD portrays the dangers which threaten the lives, property and income of any manufacturing business.

Here again, using HARRY HAZARD, their new Sales Symbol, American Agents seek to sell Accounts of Insurance . . . not individual policies.

**1846**  
The American Insurance Group

The American Insurance Co.  
Bankers Indemnity Insurance Co.

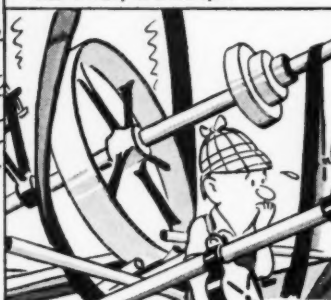
The Columbia Fire Insurance Co.  
The Jersey Fire Underwriters



Anybody without adequate fire insurance is really in a hot spot.



You REALLY would be up in the air if winds damaged building or contents.



When the wheels stop turning, what happens to your income?



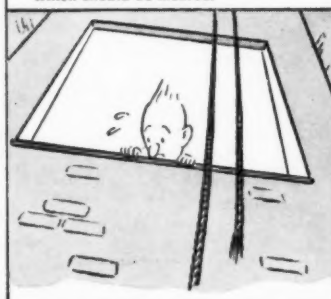
Goods may be damaged in transit; also while in the custody of others.



Those suspicious bulges represent items which should be insured.



People hurt on your premises may want more than first aid. They may sue you.



Lawsuits may grow out of elevator accidents.



Crooks not only put lumps on your head but dent your bank account.

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## N.A.I.A. Withdraws Agency Licensing Law Agreement

### Decides 1944 Pact Impedes Enactment of Legislation

The national board of state directors of National Assn. of Insurance Agents at St. Louis last week voted unanimously to withdraw its approval of the 1944 agreement on model state agency licensing and qualification laws. This action was requested by the group of paid secretaries and managers of state associations following their meeting Saturday and Sunday preceding the board session.

S. G. Otstot, Raleigh, secretary North Carolina Assn. of Insurance Agents, appeared before the board at the invitation of President O. Shaw Johnson, Clarksdale, Miss., and explained the case.

The agreement was signed by National Board and Assn. of Casualty & Surety Companies, in addition to N.A.I.A., and Mr. Otstot said that this agreement has been used by National Board in many states to oppose legislation supported by agents. He said that the original agreement and the statements which accompanied it clearly set forth that it referred only to minimum standards, was supposed to be flexible and subject to variation from state to state and was not intended to preclude agents from supporting higher standards. However, he said that the companies, particularly through National Board, have ignored this and have cast the agreement up at agents in many states where they have tried to raise agency standards. He also said that National Board has served notice on many local boards in various parts of the country that it can no longer honor its agreements, oral or written, as to appointment of agents, because of the Southeastern Underwriters Assn. case, but that it has never attempted to withdraw from the agency qualification agreement, the logical suspicion being that it has found this useful in fighting proposed agency qualification laws.

#### Example in Iowa

After Mr. Otstot presented his case, C. I. Fisher, Providence, moved that approval be withdrawn. He said that he had warned the National association at the Milwaukee meeting in 1944 that attempts to place blanket approval on national standard legislation will always get N.A.I.A. into trouble. P. E. Jester, Des Moines, in seconding the motion, said that Iowa agents have encountered exactly the trouble Mr. Otstot described and last year were unsuccessful in their sixth attempt to enact a qualification law, with this agreement being given as an excuse for opposition. The motion passed unanimously.

R. M. L. Carson, Glens Falls, N. Y., reported for the special committee on commissions. The report said that its survey found commissions showed a level in each state closely approximating the national average, except for fire insurance commissions in excepted cities. Mr. Carson said that the committee believes that companies and producers are

(CONTINUED ON PAGE 17)

## Poses Statement Problems Under Installment Plans

The absorbing question of the deferred payment of the term premium got an extensive airing at the zone 3 meeting of National Assn. of Insurance Commissioners at Miami Beach, and the discussion there had national significance because several leaders outside of zone 3 were present including Forbes of Michigan, N.A.I.C. president; Dineen of New York; Harrington of Massachusetts, and Allyn of Connecticut.

Particular interest was taken in the implications of Superintendent Dineen's recent ruling that in the case of Liberty Mutual, anyway, the deferred payment plan is purely a matter of credit extension and falls beyond the province of the rating law. Also, much attention was given to a paper by Commissioner Allyn of Connecticut emphasizing the necessity of reaching an agreement on how various elements of the installment payment procedure shall be treated in the annual statement blank. He said that presently there is a variety of treatment and when installment premiums reach substantial proportions, these differences will become formidable items to reconcile.

#### Facing Fact, Not Theory

Mr. Allyn said that whether the commissioners like it or not, installment payment premiums on term policies are here and the problem is to decide how to handle this development. Some 90 fire companies are already offering this facility. The problem is one primarily for the business. He said it is not his responsibility as a commissioner to determine whether the term premium should be paid entirely in advance or not. These installment plans are an outgrowth of the time-honored term rule and this rule is now receiving intensive study.

He said he is not concerned about possible discrimination because this is inherent in the insurance business as in most others. Possibly the minimum premium on a fire policy which is handled at a loss, is a discrimination in favor of the small policy buyer. Also the New York department in its study of the Stott agency at Norwich, N. Y., revealed that the agent also loses money on these minimum premium policies. The question is whether the procedure constitutes "unfair" discrimination. If a term rate is available to anyone, it is doubtful if unfair discrimination is involved.

#### Standardization Is Wanted

If the installment plans are legitimate and in the public interest, N.A.I.C. should seek to arrive at some degree of uniformity in their treatment by the various states, and standardization should be sought. Among the problems that are posed from the annual statement standpoint, are whether the entire premium should be placed on the books at the outset or should the installments be credited to premium income as received? Should the service charge be included in premium income or credited to another account? Most companies apparently are taking the entire premium including service charge on the books at issuance of the policy. This, he said, presumably simplifies the accounting procedure.

Some believe that the service charge should be reported separately since it is not properly premium income. If it gets into premium income it is subject to premium tax. Most companies apparently find it easier and more economical to include the service charge in the premium income instead of keeping track of it separately. This matter of the treatment of the service charge is a question that will have to be settled.

Crediting the entire premium at the outset involves carrying the unearned portion as a balance sheet liability just as though the entire premium had been

paid in cash. As an offset, however, the unpaid installments would be set up as assets. Commissions on unpaid installments should either be deducted from this asset item or appear on the other side as liabilities. Under this procedure there is no excess surplus drain involved in writing installment business.

If a premium installment happens to be over 90 days due on Dec. 31, such installment should obviously be deducted as non-admitted. There has been some question as to the status of the remaining installments in a case where one installment is thus delinquent. He expressed the belief that to disallow the remaining installments would impose an unfair penalty where the unearned premiums representing such installments are still carried as liabilities.

#### Dineen Reviews Stand

Mr. Dineen gave the background on his Liberty Mutual decision. He said that company started using the installment payment plan without submitting it to the department for approval. The department asked Liberty Mutual for a memorandum and a hearing was held. The department decided that it did not have any power to regulate the Liberty Mutual plan on the ground that it was a pure extension of credit. He said that at no time during the many sessions of the drafting committee of N.A.I.C. on the all-industry bills was it suggested that this legislation should cover installment premium plans.

Another consideration was that there is a legislative committee in New York working on the problem of installment payments in all fields of business. He said he decided it would be anomalous for the insurance department to attempt to regulate insurance companies on their installment payment operations when the department at the same time was not in a position to regulate banks and finance companies. Also, account was taken of the fact that an insurance company could invest in a finance company and the insurance department would lack authority over the operations of the latter. Hence in regulating installment payments, the department would be covering only those insurance companies that did not have a captive finance company. Also, he said he was influenced by his conviction that there is no reason for insurance companies to resort to banks and other financing institutions to do what the insurance company has the funds and ability to do. "It leaves me cold" to drive an insured into the hands of banks and finance companies and bring a third party into the transaction, he asserted.

Insurance companies, he said, should perform all the functions that they can within their own framework.

He emphasized that his opinion was applicable only to Liberty Mutual. The question was left open as to installment payment plans that involve a modification of the basic insurance contract.

If abuses develop because of non-regulation, there is always the opportunity to resort to legislation for the enactment of a comprehensive plan. Also, New York has a fair trade practice act that can deal with obvious abuses.

"I object," he said, "to people using the insurance department as a vehicle

## Provisional Rating Plan of M.L.S.O. Wins 3 to 2 Nod

### Dineen, Martin, Larson For; Forbes and Harrington Against

The rates and rating organizations committee of N.A.I.C. has approved by vote of three to two the proposal of Multiple Location Service Office for a provisional rating plan in order to expedite the procedure. Harrington of Massachusetts and Forbes of Michigan voted against it contending that M.L.S.O. is in effect returning to a status of rating organization and why not become one. Dineen of New York, Martin of Louisiana and Larson of Florida voted for it, arguing that while what M.L.S.O. is doing looks like a return to a rating organization they are not going to prejudice the proposal. Let M.L.S.O. give it a try; if it will not work out as projected then the question of whether it is a rating organization or not can be taken up again.

The hearing preceding the decision was held at Miami Beach prior to the gathering of zone 3 commissioners. The committee debated several days before reaching a decision.

The majority report stated that essentially the change proposed would permit a company or an advisory organization such as M.L.S.O. to calculate a provisional rate from data available to it. Such provisional rates, when transmitted to local rating bureaus with a copy of all necessary details, could be certified by the local rating bureau at its discretion, or, if found to be incorrect, appropriately adjusted. Policies could be written at the provisional rate, subject to adjustment.

"The committee regards the proposed amendment as an improvement and recommends its acceptance by the several states. It may also be employed by companies which are members or subscribers of local rating organizations but which are not members or subscribers of M.L.S.O."

to throttle competition and the use of new ideas." He condemned those that "rush in to have a bureaucrat put a damper on progress."

Harrington of Massachusetts expressed difference with Mr. Dineen's theory. He said he agreed that at meetings of the N.A.I.C. drafting committee nobody mentioned the installment plan, but neither was the Aetna Fire's manufacturers output policy or multiple line rating mentioned.

#### Harrington Differs with Dineen

Mr. Harrington said if the position is taken that the installment plan is not to be regulated, then the situation will arise of companies acting in concert in connection with such plans and in so doing, they would not be protected by public law 15.

Mr. Harrington told how the matter had been handled so far in his state. He said that a formal hearing was held at the request of North America, and further hearings will be held April 12-14.

Commissioner White of Mississippi  
(CONTINUED ON PAGE 10)

# Stock Fire Experience by Lines from Argus Chart

Fire				Extended Coverage		Tornado		Sprinkler Leakage		Riot, Civil Com. & Exp.		Hail on Growing Crops		Motor Vehicle		Ocean Marine		Inland Navigation		Aircraft		Miscellaneous	
Prem.	Losses	Prem.	Losses	Prem.	Losses	Prem.	Losses	Prem.	Losses	Prem.	Losses	Prem.	Losses	Prem.	Losses	Prem.	Losses	Prem.	Losses	Prem.	Losses	Prem.	Losses
30,657,912	11,643,077	5,490,959	1,530,027	540,579	433,769	202,445	48,656	183,725	12,713	57,080	25,785	1888,383	650,863	1050,236	612,905	960,921	291,886	83,142	47,415	10,571	1,666	784,349	371,079
2,192,085	791,931	466,296	123,109	21,800	15,429	7,716	3,173	4,982	365	124,391	48,130	351,402	105,989	236,172	126,738	328,812	122,291	11,571	6,814	8,242	1,390	1,069,027	367,626
5,120,610	2,091,761	872,345	226,241	23,716	34,991	22,798	4,485	17,462	455	432,676	178,261	55,425	10,687	240	5,173	80	.....	.....	.....	.....	.....	.....	.....
420,578	95,703	183,854	16,772	50,810	8,705	.....	.....	.....	.....	4,103,358	1,583,064	743,049	213,443	28,526	38,477	23,429	7,618	9,382	662	.....	.....	.....	.....
3,572,009	1,121,214	663,377	182,103	19,374	21,785	28,804	11,481	22,770	415	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
.....	11,941	46,677	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
833,145	252,485	203,018	30,386	3,892	2,344	243	182	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
3,233,778	1,297,282	674,989	220,366	28,257	38,108	16,314	2,979	11,098	104	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
548,804	129,512	40,372	8,039	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
7,479,798	2,616,545	1,439,464	363,453	83,164	62,873	59,436	28,083	7,871	124	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
8,807,504	3,415,541	1,779,900	492,767	72,900	61,496	31,913	10,531	12,672	560	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
219,228	88,472	41,495	19,825	17,782	13,169	96	.....	181	97	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
78,767	18,841	23	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
235,177	111,767	61,805	21,904	1,083	724	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
589,092	225,495	358,891	132,900	510	175	.....	.....	6,679	538	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
644,096	394,152	173,438	64,052	.....	6,118	615	915	256	83	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
376,969	137,495	.....	.....	174,444	36,601	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
25,734,242	9,536,187	5,021,146	1,220,590	270,577	246,121	109,838	37,440	110,322	47,236	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
1,025,839	395,766	185,762	53,361	7,132	9,619	5,857	1,904	2,346	165	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
4,890,877	1,258,630	832,977	112,212	81,374	37,163	12,688	3,396	835	1,051	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
296,032	82,650	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
462,747	56,262	152,054	14,851	18,796	824	.....	.....	90	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
776,437	330,683	128,250	39,937	7,697	7,043	3,655	635	966	219	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
20,930	5,006	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
903,040	297,005	162,932	47,642	5,650	3,539	4,335	896	1,505	144	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
50,741	9,831	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
97,231	32,254	31,246	6,714	20	400	18	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
617,192	120,221	246,246	41,749	15,849	6,242	1,427	.....	976	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
189,219	57,133	126,239	30,390	225	.....	.....	.....	369	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
3,136,174	1,520,906	684,362	232,537	23,978	19,130	4,486	1,210	6,614	988	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
10,186,563	3,487,388	2,205,556	542,327	59,050	62,079	45,701	12,346	32,270	770	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
36,333	4,360	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
2,930,389	964,145	733,409	172,218	21,589	18,213	18,480	8,649	1,465	2	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
197	114	102	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
168,990	59,944	51,553	6,013	4,281	2,037	175	6	32	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
704,249	307,772	279,296	68,750	30,914	3,361	1,118	456	454	316	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
740,598	204,518	209,072	38,351	13,133	4,165	6,951	107	6,412	130	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
100,518	58,412	12,845	1,051	265	28	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
8,598,345	3,878,790	1,787,228	484,978	60,589	62,837	38,442	12,073	14,412	616	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
888,866	333,799	190,758	54,952	8,918	6,702	3,157	1,269	1,589	149	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
1,487,531	519,184	272,028	81,182	8,132	9,663	12,001	5,147	9,481	187	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
469,567	184,182	32,245	32,245	5,579	2,590	946	1,625	15	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
722,746	194,733	284,578	66,914	2,889	582	24	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
2,745,810	1,063,196	643,136	168,589	9,407	5,313	7,901	2,136	340	46	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
494,141	210,146	79,558	23,164	3,444	3,692	2,663	532	284	11	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
2,470,705	1,050,728	397,791	115,822	17,720	18,462	13,314	2,660	1,422	57	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
1,961,753	786,591	411,540	134,260	17,228	23,235	9,946	1,816	6,767	64	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
76,931	1,531	6,294	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
7,520,674	3,038,705	1,574,698	391,475	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
407,751	82,011	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
421,230	135,949	78,715	22,742	2,524	2,548	4,0																	





## Stock Fire Experience by Lines from Argus Chart

Fire		Extended Coverage		Tornado		Sprinkler Leakage		Riot, Civil Com. & Exp.		Hail on Growing Crops		Motor Vehicle		Ocean Marine		Inland Navigation		Aircraft		Miscellaneous		
Prems.	Losses	Prems.	Losses	Prems.	Losses	Prems.	Losses	Prems.	Losses	Prems.	Losses	Prems.	Losses	Prems.	Losses	Prems.	Losses	Prems.	Losses	Prems.	Losses	
517,694	173,730	110,121	29,909	4,420	2,880	2,678	583	948	96	Pacific Coast	116,409	49,458	213,390	100,774	205,744	81,294	520	733	5,270	923		
3,337,387	1,098,055	835,271	196,137	24,388	20,943	21,046	9,850	1,669	2	Pacific, N. Y.	3181,319	1073,264	56,440	38,777	387,163	193,333	30,693	6,318	13,144	127		
5,815,942	2,249,057	1,964,736	388,490	105,874	40,186	14,170	4,511	26,857	2,186	Pacific Indem.	2055,187	615,147	332,159	185,954	694,910	318,682			51,445	209		
1,079,871	432,251	231,661	75,537	9,721	13,071	5,417	1,029	3,719	38	Palatine	287,281	104,990			227,514	101,691	88	553	2,357			
256,727	103,710	41,816	10,663	1,966	1,250	2,240	482	319	8	Palmella	173,382	39,138			173,382	39,138	17		2,968	82		
953,574	396,948	165,285	29,897	3,121	1,250	3,315	538	338	128	Patriotic	540,146	240,504							3,277			
1,710,424	724,583	282,600	16,311	27,796	16,833	5,022	10,908	1,358		Pearl Assur.	122,316	456,347			432,631	158,233	52		32,790	1,192		
479,467	2,331,333	1,134,154	311,541	82,186	24,581	27,266	6,812	8,321	38	Pa. Fire	139,547	422,896	477,488	286,994	675,077	330,150	—1,520	2,104	22,133	10,998		
67,209	70,959	11,583	9,842	685	615					Penn. Liberty	271,121	21,257										
7,532,337	3,091,393	1,487,715	398,394	12,068	37,745	41,671	18,762	34,257	682	Penn. Manuf.	430,483	166,408	248,574	743,181	670,831	172,041	689,536	46,398	41,323	27,801	16,588	
727,064	294,680	130,722	34,613	535	3,323	5,402	1,052	3,132	8	Philadelphia Nat.	268,674	74,181	60,567	27,631	166,912	69,106	9,902	3,808	2,077			
15,777,622	5,741,656	2,896,523	73,676	173,814	3,922	19,411	12,804	36,831	3,624	Phoenix, Conn.	144,750	36,335	223,293	156,691	337,357	73,690	497,155	193,280	130,673	70,248	4,624	
36,554	6,733	16,009	1,799	194	324					Phoenix, Eng.	109,495	341,839	543,151	192,867	291,341	130,273	—65	3,106	9,538	272		
2,440,302	901,139	382,607	86,799	2,456	3,331	20,525	3,309	—267		Pioneer Fire	58,590	10,729	744,291	302,282	61,328	35,924	410,295	183,656	167		7,415	
832,577	176,356	205,993	32,298	1,400	1,307	1,307	1,170	16		Piedmont	459,313	107,278	3,018	981	271,326	80,510			4,601			
2,701,032	880,168	644,652	116,062	9,057	15,108	4,202	1,203	5,925	—28	Planet	2480,884	551,499			5,802	280,422	163,856		2,286	4,358		
										Polomac	115,673	20,900										
										Preferred Accident	549,829	187,689										
										Preferred Fire	1675,724	302,668										
										Preferred Inland	335,011	77,663										
										Progressive	132,125	32,728	4055,257	1905,434	1747,639	1076339	4151254	2003913		48,639	234	
										Providence, Wash.	435,655	113,802	230,240	176,623				766	1,284	5,337	12	
										Provident, N. Y.	94,655	18,796			3,385	168,144		17	77	20,110	91	
										Public Natl.	61,966	21,774			5,478	10,448						
										Quaker City	437,490	143,625	385,514	156,290	81,970	28,791	5		—96			
										Queen	3124,378	1049,854	139,881	620,538	1362189	604,058	45,069	17,717	40,293	407		
										Queen City	35,336	11,913			396	8						
										Ranier Natl.	121,393	44,968										
										Reins. Corp., N. Y.	56,584	11,714	179,435	107,321	682,885	134,950	40	132	23,612	841		
										Riverside, F. Ins.	2480,884	551,499			5,802	280,422			1,530	20		
										Reliance, Pa.	426,884	153,516	96,907	44,172	267,059	110,713	14,320	6,093	3,323	37		
										Reliance Marine	—3	2	394,585	198,237	9,790	2,174						
										Republic, Texas	—3	2	120,673	44,519		5,119	7		6,239	2,537		
										Resolute Fire	1264,965	416,767			25,610	364						
										Rhode Island	2,696	110,962	360,377	179,284	189,445	52,747	62,096	2,511	658	5,478	—39,400	
										Rochester Amer.	165,133	68,563	488,716	184,162		229,113	96,975	6,352	3,226	6,120	391	
										Rocky Mountain	3,428	241,283	43,555		1,269	1,874						
										Royal	2,507,403	830,713	1,587,089	702,091	1110964	512,483	36,013	16,064	32,187	276		
										Royal Exchange	587,182	207,331	334,016	488,207	483,747	213,704	62		14,232	32		
										Royal Indemnity	431,449	151,263			190,295	86,885	6,482	2,321	5,768	63		
										Royal Fire	191,383	75,842										
										Royal Guard	191,383	75,842										
										San Jacinto	4,129	195										
										St. Louis F. & M.	164,927	50,586							—4,747	37		
										St. Paul F. & M.	2107,052	1314,651	1070553	3998,372	4398,370	2342393	5960893	2350234	208,057	121,138	58,950	
										Scot. Un. & Natl.	1048,969	518,948			247,684	168,504	54	250	16,383	379		
										Sea	291,279	106,738	2185,380	1032118	598,555	271,716	37,894	13,582	1,887	14		
										Seaboard F. & M.	387,161	133,892	243,704	162,787	208,176	89,277	—4		1,408			
										Seaboard, Md.	75,557	24,114	48,000	17,701	33,432	16,991	1,011	414	959	19		
										Secured Cas.	87,839	34,155										
										Secured F. & M.	92,684	64,763			29,155	6,658			789			
										Security, Conn.	1905,581	656,275	426,983	207,617	789,421	412,467	—137	228	47,495	4,257		
										Security, Ia.	15,898	9,507			12,486	6,192			49	3		
										Security, Va.	118,938	24,128										
										Security, N.Y.	—243	14			18,907	3,223			—943	86		
										Selected Risks	238,285	63,075										
										Sentinel	57,344	21,687	132,381	45,727	10,423	4,867	58,664	26,097	3,785	2,140	1,966	
										Sequoia Ins.	90,746	10,863							913			
										Service, N. Y.	38,513,714	12145,055							—285	721		
										Skandia	73,940	12,145			426,420	148,924	885	—573	14,756	778		
										South British	36,771	16,567			18,557	17,885	8		—			
										South Carolina	32	15,747			36,771	16,567			7,147			
										Southeastern	327,977	154,292			29,676	15,174			1,413	1,388		
										Southern	2031,677	533,501										
										Southern F. & M.	161,692	78,066			331	247						
										Southern American	28,527	2,584										
										Southern, N. C.	67,850	26,316	177,366	50,200	5,636	3,590	6,311	3,717	4,539	725		
										Southern, Pa.	177,903	50,200										
										Southern, Texas	228,553	74,568										
										Southwest Exchange	232,967	63,674										
										Southwestern F. & C.	221,805	37,561			12,228	5,141			2			
										Springfield F. & M.	2092,371	810,036	4499,929	1560,331	354,382	165,468	1997665	888,151	133,555	75,129	66,388	14,481
										Standard, Conn.	376,059	126,116			1122,222	379,098	26,007	15,091	5,988			
										Standard, N.Y.	71,885	16,445	136,388	998,219	469,243	1165609	433,626	965		4,234	3,453	
										Standard, Ohio	165,889	52,938										
										Standard Marine	928,521	368,432	1815,401	774,323	1389627	809,930			10,815	2,256		
										Standard Natl.	27,473	915										
										Star	968,248	334,792	456,823	209,709	419,094	190,398	14,112	6,143	12,547	113		
										State	755,854	136,555							18			
										State Farm Fire	136,555	70,786										
										State Fire & Cas.	134,											





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## and sell more home coverage!

In this post-war period, many families have substantially increased the value of their home furnishings, but *not* their insurance.

These families therefore make excellent prospects for increased home coverage . . . or for a completely new insurance plan based on present increased home and furnishing values.

By careful examination of your community, you will discover many prospects for additional Dwelling Contents Coverage.

Many of your present clients and new prospects will appreciate your bringing to their attention the increase in home content values. Find out more about National of Hartford Group.

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One in five of your clients will buy life insurance in the next year. How can you get this business?

Probably most of them don't even realize that you're interested. You must show them that life insurance is just as much a part of your business as fire or automobile. The Connecticut Mutual, which has worked with thousands of fire and casualty agents and brokers for years, worked out a simple, easy-to-use survey form in a folder that includes practically all personal forms of property and liability insurance, and life insurance as well. You can use it as a pre-call piece, to go with a letter. You can take it with you and discuss it with your client. Or you can send it with a follow-up letter to remind a client or prospect that you handle all forms of insurance.

### FREE SAMPLE SURVEY FORM

This attractive two-color folder can be used either because of its sales message or as a practical tool to show clients the weak spots in their protection. It includes spaces for writing in amounts of property and liability insurance of various types at several locations, as well as the major classes of personal and business life insurance protection. Thus it enables you to show—or for your client to demonstrate for himself—what insurance he needs, compared with what he has, and how much of each kind.

This survey-folder is extremely popular with fire-casualty agents and brokers who have seen it. They find it helpful in doing easily what is usually a rather complex job. The title is "Have you checked both walls recently?" and it can help you develop both fire-casualty and life commissions.

A copy is yours for the asking, and without the slightest obligation on your part. Send for yours today.

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Name ..... (please print)  
Street .....  
Town or City ..... State .....

NU 4-0

## Cincinnati Is Grand Winner of Fire Waste Contest

Chicago Best of Large Cities, Fort Collins, Colo., Repeats Honors

WASHINGTON — Cincinnati has been announced as grand winner in the annual inter-chamber fire waste contest conducted by National Fire Waste Council.

Six awards are made annually. Winners in each of the six population categories will be presented with plaques at the annual meeting of the U. S. Chamber of Commerce in the first week in May. The winners in the 1949 contest were announced as follows: Class I (Over 500,000 population) Chicago.

Class II (250,000 to 500,000) Cincinnati. Class III (100,000 to 250,000) Grand Rapids, Mich. Class IV (50,000 to 100,000) Anderson, Ind. Class V (20,000 to 50,000) Parkersburg, W. Va. Class VI (Under 20,000) Fort Collins, Colo.

The winners were selected at the council's annual meeting at Washington last week.

Honor cities in the various classifications are:

Over 500,000 Population	
Houston	New Orleans
Detroit	Baltimore
Los Angeles	Minneapolis
Milwaukee	Buffalo
250,000 to 500,000 Population	
Atlanta	Louisville
Memphis	Columbus, O.
Rochester, N. Y.	Kansas City, Mo.
Dallas	San Antonio
Indianapolis	Dayton
100,000 to 250,000 Population	
Providence	Chattanooga
Hartford	New Haven
Wichita	Staten Island
Allentown, Pa.	Knoxville
Lansing	Ft. Wayne, Ind.
50,000 to 100,000 Population	
Lakewood, O.	Columbia, S. C.
Topeka	Bethlehem, Pa.
Alameda, Cal.	Decatur, Ill.
Portland, Me.	Orlando, Fla.
Schenectady	Pittsfield, Mass.
20,000 to 50,000 Population	
Richland, Wash.	Kankakee, Ill.
Oak Ridge, Tenn.	Norristown, Pa.
Moline, Ill.	Salisbury, N. C.
Watertown, N. Y.	Tallahassee, Fla.
Fargo, N. D.	Balboa, Cal.
Under 20,000 Population	
Port Angeles, Wash.	Salinas, Cal.
Stevens Point, Wis.	Blackwell, Okla.
Atlantic, Ia.	Atchison, Kan.
Naugatuck, Conn.	Columbus, Ind.
Valley City, N. D.	Mt. Clemens, Mich.

### R. P. Simpson Appointed Sun's Canadian Manager

Robert P. Simpson has been appointed manager for Canada of Sun and its affiliates, succeeding the late Robert L. Stalling. His insurance career began in 1917 with Western Canada Insurance Underwriters Assn. In 1944 he was appointed assistant secretary for Canada of Sun and in 1946 secretary, continuing at Winnipeg with supervision of western Canada. In 1948 he was transferred to the Canadian head office at Toronto as assistant manager for Canada.

Harold H. Heakes has been appointed assistant secretary for Canada. He was formerly Ontario superintendent of agents.

### Affiliated Is on Mark

Henry C. Jones, president of Arkwright Mutual Fire of the factory mu-

tual group, in his annual message, said that Affiliated F M Ins. Co. within the near future will begin to write policies. A rate schedule has been in preparation and arrangements have gone ahead to obtain state licenses. Affiliated is wholly owned by the factory mutual companies and will operate as a participating stock insurer. Profits will be divided between policyholders and the owners. Insurance will go to the new company from the factory mutual companies.

## Independents' Card Completed

Complete program for the regional meeting of National Assn. of Independent Insurers April 20-21 in the Plaza Hotel, San Antonio, is announced by Vestal Lemmon, manager in charge of the executive headquarters in Chicago.

At the first session Casualty Commissioner Gibbs of Texas is to extend a welcome, with a response by General Jonathan M. Wainwright, president of Acme Mutual of San Antonio and hero of Corregidor and Bataan.

Mr. Lemmon, will give a report; "An Appraisal of State Rate Regulation up to the Present," will be presented by Erwin A. Meyers, Chicago, chairman legislative committee, and "Practical Angles of Rate Filings" is the topic of C. B. Kenney, vice-president of Allstate. "Insurance and the Federal Government" is the topic of the luncheon speaker, Levering Cartwright, managing editor of THE NATIONAL UNDERWRITER.

"The Long Haul Trucking Problems of Today" is assigned to Matthew Brown, manager of American Fidelity & Casualty, Dallas, on the afternoon program. Annual report on I.S.S. will be given by J. F. Gill, manager; "Multiple Line Underwriting" will be discussed by R. W. Griffith, actuary of Farm Bureau Mutual; "Statistics for Management," Joe S. Piering, secretary Commercial Standard; "Simplification in Answering 1950 N.A.I.I. Calls," Frank M. Mittelbush, chief statistician State Farm Mutual Automobile.

That evening there will be a cocktail party and dinner, the speaker being Ken McClure.

The next morning there will be a talk on "What's New About the Garage Liability Policy" by J. Alton Jones, superintendent casualty division Trezevant & Cochran, Dallas, and on "Uniform Accounting" by Thomas C. Morrill, State Farm Mutual, and James J. Higgins, deputy superintendent, New York department.

## Reduce Auto Physical Damage Rates in Texas

Casualty Commissioner James P. Gibbs has published revised automobile rates for Texas, the physical damage lines for the most part showing a reduction while bodily injury and property damage liability rates remain practically the same.

Owners of private passenger cars less than 30 months old receive 10 to 22.5% reductions on comprehensive and collision, while the \$50 deductible collision rates are down 10% on most postwar models with little or no reductions on prewar models.

Commercial car owners get 25% lower rates for comprehensive when operating within the 50 or 50-100 mile radius, while a long haul is reduced 10%. The theft rate is reduced 50%. Collision rates on commercial vehicles for the \$50 deductible were cut 15% within the 50 mile zone and the \$100 deductible was reduced 8%. Collision for the 50-150 mile radius was reduced similarly. Trucks operated regularly beyond the 150 mile radius receive a 25% and 50% reduction for the \$50 and \$100 deductibles.

E. S. Beveridge, local agent at Bellville, O., has taken in H. Eugene Hall as a partner and the name will be changed to Beveridge & Hall.



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## ...but DO YOUR CLIENTS *know* IT?



Suppose you are an agent in a medium-sized city. You enjoy a happy business relationship with local manufacturers—hold the coverage on their local plants.

**BUT**—suppose they have *branch* plants or equipment in *foreign* countries—in Sweden, Australia, Peru, India, or elsewhere . . . You may lack this coverage for the sole, simple reason that these manufacturers *do not know you can supply it!*

More and more agents are coming to understand that, through American Foreign Insurance Association, they “stock” world-wide protection in their brief cases—that they can offer practically all classes of insurance, except life, on American-owned risks in foreign lands . . . *and you should, too!*

As a skilled, experienced service organization, American Foreign Insurance Association represents 25 of America’s great insurance companies—provides world-wide facilities for handling and claims. These are yours—for your clients . . . *Tell them!*

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**COMPLETE INSURANCE COVERAGE IN FOREIGN LANDS**

## Court Knocks Out Minn. 2% Surcharge

ST. PAUL—Judge Rensch in Ramsey county district court has held the 2% surcharge on fire premiums unconstitutional. The case is sure to be carried to the state supreme court.

The case has been pending more than two years, with 10 attorneys participating. It was initiated by a policyholder in St. Paul, Kenneth Hassler, against Travelers Fire, its agent, L. D. Engberg, and Commissioner Harris as custodian of the receipts from the surcharge.

Hassler contended the surcharge was unconstitutional because it discriminated among policyholders. It was established by the legislature in 1934 for the benefit of firemen's relief associations at St. Paul, Minneapolis, Duluth and one or two other cities to keep their relief funds solvent. Several hundred thousand dollars have been collected from fire policyholders in these cities.

Two years ago Hassler refused to pay the 43 cents surcharge on the fire premium on his home and when Travelers informed him that under the law it would have to cancel his policy

unless the surcharge was paid, Hassler took the case into court. The purpose, of course, was to test the validity of the law, which long had been questioned, although critics had hesitated to initiate court action.

Hassler's attorneys argued the law was unconstitutional because other groups of policyholders who get protection from the fire departments do not have to pay the tax. These include owners of autos, trucks, machinery and merchandise as well as self-insurers. Judge Rensch held the imposition of the surcharge is "unequal, arbitrary and unreasonable," in that it is not uniform, since other property owners free of the charge are not required to support the relief associations. The judge also pointed out that those who insure their property for less than the true value pay a smaller charge proportionately than the person who is better covered.

Judge Rensch ordered the Travelers permanently restrained from canceling Hassler's policy because of non-payment of the surcharge.

### Causes Much Extra Work

The surcharge has made considerable extra work for agents and companies, as they had to collect it from policyholders and remit to the insurance department. Whenever the funds

in any relief association dropped below a specified amount, the department was authorized to turn over enough money to bring them up to that amount. The amount varied in the different cities.

Assuming that the decision is appealed, chief interest now is what will be done about surcharge collections. Judge Rensch granted a 40-day stay of judgment which permits continued collection of the surcharge in St. Paul and St. Cloud until the judgment is entered. At Minneapolis, Duluth and Winona the collection was suspended in January because the relief association funds in those three cities had reached the specified amount.

Approximately \$100,000 has been collected annually at Minneapolis, \$50,000 at St. Paul, \$21,000 at Duluth and around \$3,500 each at Winona and St. Cloud. Most of the amounts are trifling, such as the 43 cents which Hassler refused to pay.

## Cut Ga. E. C. Rates, Make \$50 Deductible Mandatory

Georgia Inspection & Rating Bureau has reduced rates on extended coverage on certain classes of property, and made the \$50 deductible mandatory for windstorm and hail on buildings.

Principal classes benefiting include urban and farm dwellings and contents, apartment and boarding houses, churches and mercantiles including banks, clubs, colleges, funeral homes, garages, gasoline stations, hospitals, hotels, libraries, etc. No reductions in rates have been made for dwellings on seacoast "islands," and country dwellings as defined in the manual.

While the optional \$50 deductible has been withdrawn on buildings and structures, full coverage will apply to contents, which also receive the downward adjustment.

Harry M. Carter, chairman of the Georgia Assn. of Insurance Agents conference committee, in a bulletin to members points out that no reduction in rate is provided for manufacturing risks, nor risks carrying special class windstorm rates. The deductible clause will apply to these "other" buildings without rate adjustments but will not apply to contents.

The Georgia association is in agreement with withdrawal of the optional deductible, Mr. Carter said, because it gives complete concurrency of coverage among all policies and companies and takes the agent off the spot after a loss when frequently the insured fails to remember that the agent told him of the \$50 deductible and claims that the agent did not offer the privilege of purchasing full coverage. Further, the agent no longer has to attempt to justify the substantial premium charge for the elimination of the \$50 deductible.

Fred S. Brondson, local agent, addressed the students of the high school at Menasha, Wis., on the opportunities in the insurance business as a vocation.

## Replacement Cover Aired in Washington

The Washington department held an informal conference on replacement insurance rules at Seattle at which a number of brokers urged changes in the existing rules.

Harry Ross of Marsh & McLennan asked that the rules be amended to permit the writing of a separate policy covering the difference between the actual value and the replacement value. At present the replacement value may be written only by endorsement to an existing policy. He also urged that the writing of replacement cover be permitted with respect to equipment. Present rules permit the writing only of replacement insurance on equipment which constitutes a part of the service facilities of the building itself. Mr. Ross said that fixed equipment used for processing or other purposes should be made a fit subject for replacement cover.

Another point stressed was that the present rules restrict the replacement of the building to "materials of like kind and quality." He suggested some relaxation of this requirement. Mr. Ross also pointed out that the requirement that the building be replaced at the same site was unreasonable.

Thomas Telfer of D. K. MacDonald & Co. stated that the present form allowed in Washington is impractical and presents a difficult underwriting problem for inter-state risks. Ed Swanson of LaBow, Haynes Co. emphasized the difficulty of the 100% coinsurance requirement in placing replacement insurance on risks presently written on a blanket basis.

Robert D. Williams, attorney for Surplus Line Assn., stressed the fact that the requested change in the existing rules, if followed by the admitted carriers, would give them preference in the writing of the cover. He opined that a separate form could be written without amending the insurance code.

## N.A.I.C. May Publish Accounting Bulletin

NEW YORK—At an early stage in its spring meeting deliberations the blanks committee of N.A.I.C. indicated that revision of uniform accounting regulations would be set back another year. The subcommittee tentatively decided to start a bulletin service to provide companies with information on its uniform accounting rules and interpretations. The multiple line blank for fire and casualty companies was also on the agenda. Walter Robinson, Ohio superintendent, chairman of the committee, presided.

Republic Mutual Fire, established at Belleville, Kan., in 1884, has moved its home office to Kansas City, Kan. Secretary Curtis T. Collins is in charge of the office there.

# THE UNITY FIRE INSURANCE CORPORATION REINSURANCE FIRE AND ALLIED LINES

JOHN A. HEINZE, President

Statement as of December 31st, 1949

### ASSETS

*U. S. Government Bonds.....	\$1,991,074.23
*Other Bonds .....	107,656.88
Common Stocks .....	688,465.00
Cash in Banks and Office.....	181,242.77
Balances Under 90 Days.....	117,794.80
Interest Due and Accrued and Other Assets.....	48,517.40
	<b>\$3,134,751.08</b>

### LIABILITIES

Reserve for Outstanding Losses.....	\$ 261,707.74
Reserve for Unearned Premiums.....	1,700,901.85
Reserve for All Other Liabilities.....	140,712.67
Capital Paid Up.....	\$300,000.00
Surplus Over All Liabilities.....	731,428.82
	<b>1,031,428.82</b>
	<b>\$3,134,751.08</b>

\*Bonds as above valued on amortized basis. Securities carried at \$186,354.22 in the above statement are deposited for purposes required by law.

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Indianapolis Portland Superior Cleveland Buffalo Columbus  
Phoenix Vancouver Toronto Montreal Havana London



## Fire Waste Council Holds Annual Rally at Washington

WASHINGTON — At the annual meeting of the National Fire Waste Council here March 31, all six members of the executive committee were reelected. Selection of officers will be announced later.

Hovey T. Freeman, president of Manufacturers Mutual Fire, presided as council chairman. Vice-chairman Harry F. Ogden, president of Fidelity & Guaranty, also addressed the meeting. A. L. Kirkpatrick, manager U. S. Chamber of Commerce insurance department, reporting in the capacity of council secretary, told of the work of the council in connection with the annual fire waste contest.

Percy Bugbee, general manager National Fire Protection Assn., reported on activities and cooperation. A Bruce Bielaski, assistant general manager of the National Board, told of progress in the national hospital inspection program, which he indicated, would be completed in May, 1951. Fire prevention efforts in the American National Red Cross catastrophe program were described by Max W. Rote, Jr., assistant director of disaster prevention.

Committee reports were submitted by Dennis C. Smith, Home, chairman agricultural committee; Richard E. Vernor, Western Actuarial Bureau, contest committee; H. E. Hilton, National Automatic Sprinkler Assn., national fire casualty statistics; Eugene Arms, Mill Mutual Fire Prevention Bureau, information and publication; Mr. Bugbee, membership, and T. Alfred Fleming, National Board, speakers.

### Reports on Membership

Mr. Hilton reported 11,000 lives lost in fires last year. Reporting 37 national organizations members of the council, Mr. Bugbee indicated the Institute of Life Insurance and National Educational Assn. will be invited to join.

Mr. Fleming and George Booth, though retired, were elected honorary life members of the council.

A movie was shown illustrating the need for fire prevention measures, from the employees' angle. Heard was "This Is Our Town," the U. S. chamber's nationwide broadcast of how local chambers are serving in the cause of fire prevention.

The business session was followed by luncheon at which the speaker was Edward J. Kehoe, chief, fire and accident branch New York operators office of atomic energy commission. His subject was "Atomic Energy and Fire Protection."

### Atomic Risk Overemphasized

Mr. Kehoe emphasized that it is important that the hazard of radiation in fighting atomic energy fire should not be exaggerated. He said that in his opinion much of the emphasis on atomic energy has been much more technical and involved than necessary with the result that many people are unduly alarmed.

In the area of greatest hazard atomic plants and laboratories, protection is afforded by specially trained fire departments on the scene and municipal fire departments are not involved. Firemen called to industrial facilities using radioactive materials, Mr. Kehoe observed, face more danger from a gallon of nitric acid or a pint can of ether than the radio-active isotope which may be present.

He gave a list of suggested rules for

fire fighters called to an atomic-energy fire.

Hovey Freeman in his report as council president, said he believes that business concerns are becoming more fire conscious and are doing something about it. Older schools, hospitals, hotels, apartment houses and ships, which were built only a relatively short time ago, are not getting needed fire protection because the owners are not in a position to spend even the small amount necessary to practically eliminate hazards. Many hospitals, especially the older private institutions, have had difficult financial problems to cope with.

Methods for flameproofing of materials have been perfected to a high degree, Mr. Freeman remarked, but for some unknown reason consumer acceptance has not been developed extensively. Manufacturers of flame retardants are striving to find ways to promote their use, and Mr. Freeman suggested that the council might lend assistance to such a program, using discretion so as not to mislead by giving a false feeling of security.

Glenn Findley, local agent, addressed a meeting of Indianapolis Assn. of Insurance Women on "The Girl in the Office."

## R. M. Beatty Leaves Western Adjustment

Robert M. Beatty, executive general adjuster, has announced his resignation from Western Adjustment & Inspection Co. effective April 1. His future plans will be announced later.

Alfred L. Garnand, Wellington, Kan., agent, was elected 5th district commander of American Legion at the convention at McPherson.



Percy Bugbee



Everyone is familiar with the fable of the dog that, in trying to get the bone reflected in the water, dropped the one in his mouth. Yet today, there are many of us who are ready to drop individual enterprise for the promised "security" of the welfare state. Never in history has government-planned economy built a standard of living anywhere near comparable to our own. The American way of life was built by free people working in a free economy . . . free to choose their occupation . . . free to invest the rewards of their labors as they saw fit . . . with the help and not at the command of government.

Edmund Burke, statesman and champion of the rights of man, in 1784 said, "The people never give up their liberties but under some delusion".



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COMPREHENSIVE GENERAL LIABILITY  
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OF FIRE INSURANCE COMPANIES

### O.K.'S CONFERENCES' PRACTICE

## Examiner Finds Marine Premium Absorption Lawful

The maritime commission has received a 50-page report from its examiner A. L. Jordan "in the matter of the practices of members of conferences to absorb certain insurance premiums chargeable to shippers by insurance companies." Involving marine insurance practices of ocean shipping companies in 25 rate-making groups operating in many overseas areas the report is subject to exceptions and supporting statements from interested parties, possible oral argument before the commission and final decision by that body.

The commission had directed conferences last August to show cause why an order should not be entered disapproving their practices of absorbing excess cargo premiums, based on ships' age and other factors, or because of cargo stowage on deck.

#### Lists Findings

Jordan concludes that:

(1) Conference agreements authorizing such absorption were not shown to be unlawful, or to require or justify disapproval under anti-discriminatory provisions of the 1916 shipping act.

(2) Pending amendment relative to such absorption submitted by the Leeward and Windward Islands & Guianas Conference should be approved.

(3) Shipping tariffs should specify whether or not excess cargo premiums will be absorbed.

(4) Tariff provisions on the subject should be consistent with provisions of applicable conference agreements.

(5) Proceeding should be dismissed as to 5 conferences which have eliminated from agreements or tariffs references to insurance absorption.

A number of southern authorities, cities, chambers of commerce, shipping interests and CIO maritime union intervened in the case.

Jordan finds absorption is inconsis-

quantial to independent lines, which can quote rates low enough to offset insurance penalties. The evidence "wholly fails to show unjust discrimination or unfairness as between carriers," but points in the opposite direction.

The commission recently refused to compel insurance absorption in *Himala International vs. Creek Line*, but Jordan finds shippers, exporters, importers "are helped" by absorption. One testified it should be made compulsory; also is beneficial to ports.

#### Practice Favors U.S.

There is no evidence that absorption is unjustly discriminatory or unfair as between American exporters and foreign competitors, Jordan concludes, and the practice is favorable and beneficial, not detrimental, to United States commerce.

"Cargo insurance rates are not subject to regulation by any public authority," Jordan says, "and the absence of such regulation furnishes a sound reason to forbear from the imposition of undue restrictions upon the carriers' right to absorb, because absorption is a carrier's only shield against unjust discrimination by cargo insurance underwriters."

Carriers should not be deprived of that shield unless it can be said that the disability ratings established by the underwriters are always so fair and reasonable that no carrier is entitled to defend itself against their consequences, for which conclusion there is no basis on this record. Moreover, particular justification for absorption by collective action in conference is found in the practice of the underwriters to make rates by collective action in committee.

Jordan finds no objection to permissive, rather than mandatory absorption provisions, in conference agreements, "but the tariff is another matter." Without a definite statement that insurance will or will not be absorbed, the shipper cannot know his rights.

Objectionable tariffs provisions of Gulf/South and East African Conference is pointed to, also failure of absorption provisions of Gulf/French Atlantic. Hamburg Range Freight Conference agreement and tariff to agree with each other.

## Demonstrating Estimates of Damage



Adjusters from the northern California territory of General Adjustment Bureau watch as A. D. Knight, supervising adjuster of Premier Ins. Co., points out some of the problems involved in estimating automobile damage. The occasion was an on-the-spot demonstration during the week-long automobile adjusters school recently held by the Pacific department of the bureau at San Francisco. Experts from insurance companies and the automobile industry served as instructors. The automobile school, first of its kind to be held on the coast, is part of the bureau's long-range educational program and one of a series of schools being conducted in Pacific Coast key cities by the bureau.



## All Segments in Fire Field Attend Pa. Conference

HARRISBURG—The first meeting of the joint conference committee representing various segments of fire insurance, sponsored by Middle Department Assn. of Fire Underwriters, was held here with Kenneth B. Hatch, vice-president of Fire Association, as chairman.

The purpose is to meet with producers and field men at regular intervals in discussing common problems. Frank discussion and criticism of matters relating to the operations, rules and practices of the rating organization came from the floor.

It was agreed that there was a need for a general purpose "blank-top" form to serve a growing demand. Principal discussion centered about the more commonly used general purpose forms, including proposed changes to avoid violations when the forms are used for blanket coverage. Among the rules reviewed was one applying to replacement cost insurance. The meeting was informed that changes in this rule are in progress to eliminate some of the criticism.

### Rates for Substandard Protection

The question of rate recognition for substandard public protection for specifically rated risks in outlying areas was considered. It was explained that lack of dependability prevented the adoption of any general schedule of credits and that credits, if any, must be dependent on the merits of each individual case. In discussing variation of the coinsurance requirements on sprinkled risks as between Philadelphia and the remainder of the territory, it was pointed out that existing rates are determined by basically different methods.

It was stated that it did not seem feasible to attempt to bring about a correction of this feature until a completely uniform rating method could be achieved.

Company men explained, in answer to criticism concerning delay in the publishing of average rates, that this is a temporary condition, due chiefly to the fact that practically every average rate in the territory had been affected by the general rate revisions last October. The task of revising these averages is far beyond the normal capacity of the staff and equipment. However, progress is being made.

### Another Meeting in Fall

The group agreed also that the complete representation and support of the several organizations as evidenced at the meeting should go a long way toward a closer understanding of common problems. Another meeting is scheduled for the fall and possibly semi-annually thereafter with additional meetings if necessary. Those attending included:

Agents: Charles R. Spang, Reading, chairman; Russell Fulford, Allentown; George Rowland, Philadelphia; William A. Shaw, Pittsburgh.

Special agents: J. E. Williamson, National Fire, Philadelphia, chairman; Edward Hodgdon, Camden Fire, Pittsburgh; John P. Holden, Hartford Fire, Harrisburg; J. O'Connell, New Hampshire Fire, Scranton.

Companies: Mr. Hatch, Bradford Smith, Jr., North America; J. Scott King, Continental; A. T. Fleischhauer, Fireman's Fund; Elmer R. Voorhis, Royal-Liverpool.

Organizations: Howard Stewart, president, Pennsylvania Assn. of Insurance Agents; H. Clay Johnson, Tri-State Mutual Agents Assn.; S. T. Pippin, president, Delaware Assn. of Insurance agents; W. C. Appel, Jr., Sparks Club (mutual company field men).

Middle Department Assn.: Carlyle H. Hill, executive manager; W. W. Hartman, asst. executive manager; H. Reed

Mullikin, superintendent; W. H. Steinmueller, district superintendent.

## Correct Antecedents of Knox and Cosmus

In reporting recently the promotion of Albert C. Knox to secretary of Phoenix of Hartford, it was incorrectly stated that Mr. Knox is the son of the late John A. Cosmus, former vice-president of Connecticut Fire. The correct report of Mr. Knox and of Richard Cosmus, who was promoted to execu-

tive secretary, should have stated that Mr. Knox started with Phoenix in 1917 and in 1926 was appointed New York state examiner. In 1930 he became special agent for eastern Massachusetts and in 1933 was transferred to New Hampshire and Vermont. He was appointed special agent for northern New Jersey in 1937 and was named assistant secretary in 1947.

Mr. Cosmus, a graduate of Yale University, was appointed special agent in 1937 in Connecticut, Massachusetts and Maine, and was transferred to Texas in

1939. In 1941 he was appointed state agent. His father, John A. Cosmus, was vice-president of Connecticut Fire until his death in 1934.

## Push San Antonio Clean-up

San Antonio Insurance Exchange is co-operating with the chamber of commerce in the clean-up and fire prevention campaign now under way. It is distributing home inspection blanks among the 75,000 school children attending San Antonio public and parochial schools.



## Sailors Galore ...Sales Unlimited

Wherever there's a body of water large enough to float a boat, there are prospects for Yacht, Motorboat and Outboard Motor Insurance. And in recent years boating has become more popular than ever.

Whether on salt water or fresh, river or lake, everyone who owns a boat — from skiffs to cruisers — is a good prospect. And a boat doesn't have to be large to be high in value. A new thirty-foot motorboat is in the same price class as a six room house, and even the smaller craft are relatively expensive.

Coverage can be tailored to fit individual needs — from a few named perils to complete marine protection. Liability and property damage protection is also available at a reasonable increase in the cost of insurance.

Shove off and set sales on the profitable waterways in your territory. If you need assistance, don't hesitate to call on your local Fire Association or Reliance field representative.

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**A PLACING OFFICE FOR  
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LONG HAUL (SINGLE UNITS or FLEET)**

ALL CLASSES SUCH AS  
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(New Equitable Rating Plan)

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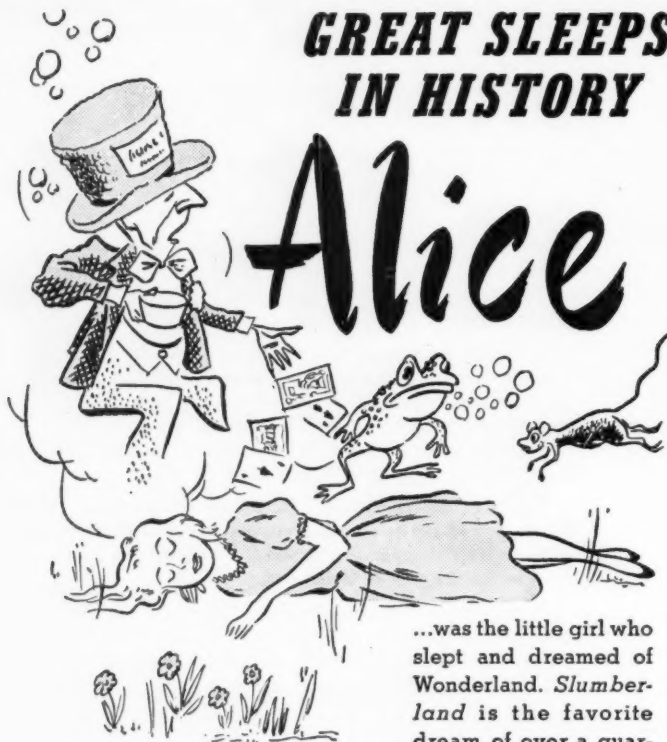
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**CLEVELAND'S  
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ROBERT P. JOYCE, GENERAL MANAGER



INFORMAL GLIMPSES AT N.A.I.A. MEETING AT ST. LOUIS, PICTURES BY HARRY H. FULLER, DEPUTY U. S. MANAGER OF ZURICH.

Above, from left—Frank Smith of Champaign, Ill.; Ray L. Britt of Danville, Ill., and H. H. Monier of Champaign.

Center—R. D. Hodson, assistant U. S. manager of Zurich; Frank Altman of Altman, Singleton local agency, Kansas City, and E. J. Savage, director of agency relations of Zurich.

Below—Allan I. Wolff of Chicago, past president N.A.I.A.; Insurance Commissioner John R. Lange of Wisconsin and Arthur Hirman of Rochester, Minn.

**A. L. Nilsen Is Advanced  
by Service Fire**

Albert L. Nilsen has been elected treasurer of Service Fire and Service Casualty. He has been assistant secretary and assistant treasurer.

Mr. Nilsen has been in the business since 1919. In 1927 he joined Interstate Automobile Underwriters agency and in 1932 became associated with North British as assistant chief accountant. Mr. Nilsen joined Service Fire in 1947.

**R. D. Pierce Kansas Actuary**

Robert D. Pierce, Topeka, a disabled war veteran, has been named actuary of the Kansas department and will also supervise the life department. He succeeds Mrs. E. R. Hyre, resigned.

**Stone's NAIC Committee  
to Meet April 27 in N.Y.**

Insurance Director Stone of Nebraska, chairman of the committee on interstate cooperation and auditing of annual statements of the National Assn. of Insurance Commissioners, has called a meeting of that committee in New York City at the New York department office on April 27.

Members of the all-industry committee have been invited to participate.

**Errors, Omissions Form O.K.d**

The Texas board of insurance commissioners has entered an order approving rules, rates and a policy form for writing insurance agents' and brokers' errors and omissions insurance.

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## Wilmington Woodworker Loss May Run \$600,000

The fire which destroyed the block long plant of the Wilmington, Del., Sash & Door Co. on west Front street will result in an aggregate insurance loss of less than \$600,000 according to preliminary estimates. There were about 50 exposure losses, 12 of them total, in the immediately surrounding area.

There is \$300,000 on contents of Sash & Door, \$105,000 on building and machinery and \$60,000 U. & O. Building and contents loss is practically total but the firm has another yard and the U. & O. loss may not be heavy.

Exposure losses are mostly residences that burned in the crowded section with its narrow streets. Amounts of insurance are small, some of them \$200, a few going as high as \$1,500.

## 250 to Attend Mutual Alliance School at Dallas

Representatives of mutual fire insurance and casualty companies meet at Dallas April 13 for a three-day study of current problems in the property insurance fields.

The occasion will be the American Mutual Alliance fire and casualty institute. Eleven subjects will be under discussion. Each will be presented by a specialist lecturer, and will serve as basis for a discussion period in which a panel of three specialists will participate. Attendance is limited to 250.

Among topics which will be considered are: legal aspects of agency; fire and extended coverage; automobile medical payments; garage liability; place of the producer in insurance; business interruption; inland marine insurance; business correspondence; burglary insurance; storekeepers' liability; sales and marketing.

Lecturers will be: J. M. Breen, Lumbermens Mutual Casualty; M. L. Landis, Central Manufacturers Mutual; James C. O'Connor, editor Fire, Casualty & Surety Bulletins; Harry Foster, Utica Mutual; George Blum, Chicago, Claims Service, Inc.; W. H. Rodda, Transportation Rating Bureau; Herbert Clarkson, Northwestern University; C. A. Wiborg, Lumbermens Mutual Casualty, and Dr. Frank H. Beach, University of Illinois.

## Hill Elevated by Excess, Treaty Management Groups

Excess Management Corp. has elected H. Edward Hill as treasurer to succeed Cal Russ, retired. He takes the same position with Treaty Management Corp.

Mr. Hill started in insurance in 1930 with Pennsylvania Indemnity. In 1940 he joined Providence Washington and was elected vice-president and secretary in 1947. He joined Excess Management Corp. in January as comptroller.

Mr. Russ has been treasurer of Excess Management since its organization in 1936, and treasurer of Treaty Management Corp. since its organization last year.

## Seek Legislature Posts

J. B. Ragan, Chattanooga local agent since 1919, is a candidate for his sixth term in the Tennessee legislature. He has served one term in the house and four terms in the senate, each time a member of the insurance committee. The last three terms he has been Democratic floor leader.

C. C. L. Ray, Cleveland, a local agent, also has announced as candidate for the Tennessee legislature.

## Culwell to San Antonio

Ben L. Culwell, former office manager and more recently a special agent with Frank Rimmer & Co., Dallas, general agency, has been named special agent in charge of the new San Antonio service office just opened by the agency, which is celebrating its 25th

anniversary. He joined the Rimmer agency in 1939, served about five years in the navy, and attended Southern Methodist and Columbia University. Mrs. Faye Arnim, president of San Antonio Assn. of Insurance Women and formerly with the Sullivan agency, will be Mr. Culwell's assistant.

## Burkle with Quirk & Co.

Henry E. Burkle, who has been special agent for Automobile, has been appointed special agent for Quirk & Co. general agency of San Antonio. He succeeds B. A. Gilbert, deceased.

## Paramount Fire Gets Permit to Sell Stock

LOS ANGELES—Paramount Fire has been granted permit by Commissioner Downey to issue and sell to its stockholders who are residents of California on April 15, non-transferable subscription warrants for 50,000 shares of its stock of a par value of \$10 per share at a price of \$28 per share on the basis of share for share owned.

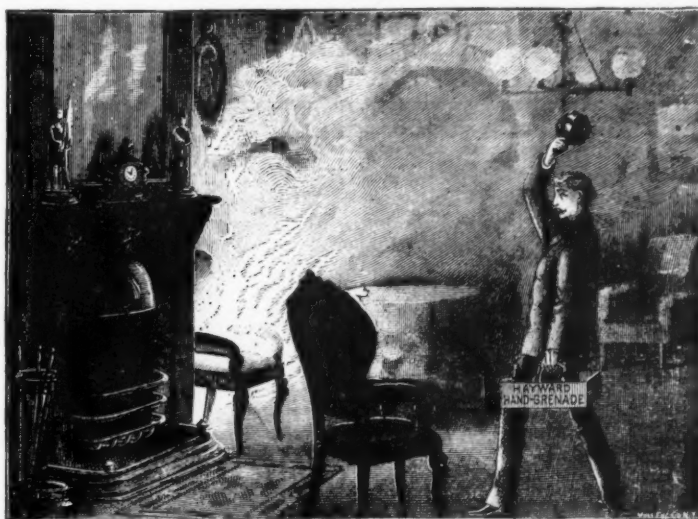
Shares not subscribed for are then to be sold to Trans America Corp. at the price of \$28. The permit, unless ex-

tended, will expire July 30. Chemical Bank & Trust Co. of New York is named as the New York transfer agent and Dallas National Bank, Dallas, as the Dallas transfer agent.

## Mut Advanced by G.A.B.

General Adjustment Bureau has promoted Ferd W. Mut to general adjuster supervising cotton business in the southwestern department. He succeeds P. S. Rothchild, who is retiring.

Mr. Mut started in the cotton trade in 1920 and joined G.A.B. after the war.



**Hayward Hand-Grenade Fire Extinguisher, Price \$10 per Dozen.**

**SAFE, SURE, QUICK, THOROUGH, RELIABLE!**

**Positively Harmless to Flesh or Fabric, but Certain Death to Fire!**

**WILL NOT FREEZE! WILL NOT BURST!**

**Can be Used by Man, Woman or Child!**

*Here's an early (1884) advertisement  
for a home fire-extinguishing device.*

*The gentleman certainly  
displays coolness in a crisis and  
good form in his wind-up.*

PRINT FROM THE BETTMANN ARCHIVE

During this company's 96-year history, fire fighting techniques have

shown amazing progress. Even so, last year's estimated U. S. fire

loss (\$711 million) came very close to the estimated \$720 million

needed for the St. Lawrence Seaway Project. To help reduce

this waste, we — and you — must work harder than ever to

make the public conscious of the constant need for fire prevention.

*Every Type of Property Insurance for Industry and the Home.*

**Agricultural**  
Insurance Company.  
of Watertown N.Y.



**Empire State**  
Insurance Company.  
of Watertown N.Y.

## Confer on National Rating

National rating of fire business was discussed at a meeting at New York last week of fire company executives. Insurance Executives Assn. has been studying schedule rating for two or three years. Rating experts from the various bureaus have spent much time projecting a possible revision of rating methods and it is understood that a preliminary draft of the study has been prepared by that organization. The New York department also has a study of schedule rating in process.

### Dineen, Dorsett Carded

An all-industry insurance dinner is to be held at Syracuse, April 10. The main speakers will be Mary Donlon,

chairman of New York workmen's compensation board on "This is Your Disability Benefits Law," and J. Dewey Dorsett, general manager Assn. of Casualty & Surety Companies, "Public Relations Is Our Business." Toastmaster will be Lewis C. Ryan, an attorney. Superintendent Dineen of New York, who resides at Syracuse, and Mayor Corcoran of that city are expected to be guests. The attendance is expected to be about 400.

### Insurer Asks Bostonians to Aid in Brinks Matter

Commercial Union has been advertising in the Boston papers requesting Bostonians to determine from their bank statements what checks issued on or prior to Jan. 17 are still outstanding. Commercial Union was the insurer of Brinks that suffered the big hold-up loss. Also employers who pay salaries

by check are asked to make inquiries on checks that are still outstanding. Commercial Union asks Bostonians to duplicate their outstanding checks upon the request of a Brinks customer. He will be able to establish to the satisfaction of the maker that it was lost.

Commercial Union announces that it has appointed William J. McGettrick Co. at Boston to help complete the task. Those who have an outstanding check but have received no request from a Brinks customer are asked to get in touch with the McGettrick office so that they may investigate and arrange for the duplicate check to be paid to the proper customer.

The checks, Commercial Union observes, are entirely worthless to the thieves and the only persons who could wrongfully benefit from the theft were the makers of the checks. The aggregate of the checks was large. The task of obtaining duplicate checks from more than 100,000 persons is troublesome but more than 75% of the checks have already been duplicated. The result is a credit to the honesty and good faith of the community, Commercial Union states.

## Third FTC Hearing on Auto Finance "Pack" April 10

WASHINGTON—A third hearing on problems involved in trade practice rules proposed to eliminate and prevent concealed "packing" and other deceptive practices in the installment sale and financing of automobiles has been scheduled here by federal trade commission for April 10. Then oral arguments will be heard by members of the commission, with Acting Chairman Mason presiding. Previous hearings on the matter have been before FTC officials including Mr. Mason in one instance.

Four hours have been allowed for arguments, with the time equally divided between those supporting the issuance of trade practice rules and those opposing.

From the standpoint of the insurance business, the most objectionable feature of the proposed rules was a provision in Rule 4 which would have placed regulation of insurance in connection with the sale of autos under FTC jurisdiction. However, as result of protests from N.A.I.C. it is reported to have been informally agreed between FTC and the insurance commissioners that this feature will be eliminated.

### Make Plans for Mutual Agents Midyear Session

National Assn. of Mutual Insurance Agents will hold its midyear meeting at Virginia Beach, Va., May 15-17, with headquarters at the Cavalier Hotel.

Preceding the midyear sessions, the advisory committee will hold an all-day meeting, followed by a joint meeting of the company relations committee.

President Corey G. Hunter, Moravia, N. Y., will preside at all sessions. The first morning will be given over to registration. At the luncheon Gene Flack, Sunshine Biscuit Co., will give the agents pointers in salesmanship.

The Tuesday sessions will begin with a showing of the film, "The Magic Touch," followed by an agency management committee forum, under the guidance of William E. Billings, Niagara Falls.

### Blair, Neely Promoted

H. L. Blair has been named secretary and R. S. Neely assistant secretary of Mutual Fire, Marine & Inland of Philadelphia.

### Process Issue Raised

Mendes & Mount, attorneys for London Lloyds, have tackled the clause in

the New York service of process act which permits the state court at its discretion to waive requirement of bond to guarantee payment of possible future judgment. The case is General Phenix vs. Malyon, in New York City supreme court in which the court required posting of a bond. Lloyds maintains a \$180 million fund in New York.

### Allied Lines Assn. Reelects, Assumes Advisory Status

All officers were reelected at the annual meeting of Allied Lines Assn. at New York. The official lineup is: President, Leonard Peterson, Home; vice-president, John L. Erhardt, Royal; secretary, H. T. Klein, New York Underwriters, and treasurer, Dwight G. Stone, Aetna Casualty.

Lester Harvey, New Hampshire; John Rygel, Hanover, and Frederick P. Walter, America Fore, were elected to the executive committee for three-year terms.

There were 77 attending including guests, representing 121 member and subscribing companies. An address on advisory organizations was given by Thomas Watters, association counsel.

W. F. Roembke, manager of Allied Lines Assn., announced that in keeping with the organization's plans to operate as an advisory organization, as of March 31 the association has ceased to function as a rating organization in New York for sprinkler leakage, commercial water damage, rain, explosion, riot, civil commotion, vandalism and malicious mischief, aircraft and vehicle damage to property, earthquake, wind-storm, and hail and extended coverage endorsements Nos. 3 and 4. He added that the association has been approved by the department as an advisory or service organization for allied lines in the state.

Rating duties on the coverages given up by Allied Lines Assn. have been taken over by New York Fire Insurance Rating Organization.

### Santa Barbara Agents Elect

Santa Barbara (Cal.) Insurance Agents Assn. has elected as president, W. Elwood Reed; vice-president, Joseph Kern; secretary, John E. Timmons.

## AGENCY WANTED

I have an agency in Chicago who wants to increase their business by buying an agency or brokerage business for cash. List your agency with us for quick action.

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For correct coverage and proof of loss

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When you do business with the Southern Fire and Casualty Company you have almost immediate access to management . . . making Company & Agent an efficient service team for the insured public. Southern Fire & Casualty operates on the American Agency plan.

Now operating in the following states: • Virginia  
• Arkansas • Louisiana • Kentucky  
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## Southern Fire & Casualty Co.

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## Group Service in One Company

Fire and Windstorm  
and all Allied Lines  
All forms Casualty Insurance  
Aviation Insurance  
Fidelity and Surety Bonds



## AMERICAN FIRE AND CASUALTY COMPANY

Home Office

Nation-wide Claim Service

Orlando, Florida



## COMPANIES

### Smith Reports on Top Home Year

A splendid statement was summarized for stockholders by Harold V. Smith, president of Home, at the annual meeting here. The session required 26 minutes to complete and was quite peaceful, compared with some of the sessions in previous years when Mr. Smith has been called on to exert his diplomacy and firmness.

The one question from the floor, by Morris Batzer of Atlantic City, was whether Home is going to get into casualty under multiple line laws. Mr. Smith said that it was, when all states permit across the board underwriting which is not now the case. This will not be for some time to come, and until then, the management prefers the casualty business to grow through Home Indemnity.

#### Dividends for 77 Years

Mr. Smith pointed to the need of considering earnings over a period greater than one year; 1949 was profitable, but on the basis of the past several years, profits of the company are by no means immodest. Home has 50,000 stockholders and 40,000 agents. It has paid dividends for 77 consecutive years. He said it was the aim of the management to expand Home Indemnity as rapidly as possible. The Home group has 4646 employees.

He commented that Home did better in its investments than the Dow-Jones averages in 1949; the latter showed an appreciation of 11.3% while Home showed 13.9%. He closed on an optimistic note with respect to the economic and political future of the country.

#### Income Almost Double

Net income for 1949 was \$21,365,291 compared with \$10,881,956 in 1948. Underwriting profit was \$20,542,483 and net income from investments \$9,957,863, a total of \$30,500,346, before federal income taxes of \$9,135,055. Net income was \$21,365,291.

Premiums written reached a new high of \$160,748,800, up \$26,001,086. The ratio of losses incurred to premiums earned declined to 43.6% from 51.1% in 1948. The ratio of expenses to premiums written was 42%, only 1/10 of 1% higher than the 41.9% in 1948. The two ratios in 1949 totaled 85.6% compared with 93% in the previous year, a gain of 7.4 points.

#### London Veterans Retiring

Frederick W. Maasen, branch secretary; Russon G. Ganner, general agent, and William Diefenbach, superintendent of agencies for London Assurance and Manhattan F. & M., have retired under the companies' retirement plan.

Ronald F. Dadd will succeed Mr. Maasen as branch secretary, and A. H. Steffens has been appointed fire manager, with Christopher A. Schnier as assistant.

Alexander P. Reed, president of Fidelity Trust Co. of Pittsburgh, has been elected a director of National Union, succeeding the late H. A. Phillips.

Jack Frazier of Frazier & Sauer agency, San Antonio, has been elected president of the Texas Contract Bridge League.

H. R. Northrup, who was chief of the federal works agency insurance division during the war period, is operating at Washington as insurance adviser, with office in the Portland building. Before the war he had many years' experience in insurance at St. Louis.

Fire & Casualty of Connecticut has been licensed in Ohio.

### Insured Need to Know More About Insurance: Gallagher

WILLIAMSPORT, PA.—Many insured losses in industry are not collected "only because the insured did not know he was insured," R. B. Gallagher of Philco Corp. told the Williamsport chapter of National Assn. of Cost Accountants.

There should be at least one man in every plant, shop, warehouse, store and office who understands the general nature of his firm's policy on insurance, he said. This man should be the focal point for all reports and queries bearing on casualties, losses, hazards, unusual occurrences. Such a man need not even have a comprehensive knowledge of insurance.

Pointing out that insurance administration and accounting are complementary, Mr. Gallagher said the problem of proper allocation of insurance expense is one which will be of substantial interest to all accountants.

He pointed out that premium expense may be allocated in numerous ways. It may spread over general operations as a flat overhead charge or as a charge based upon payroll.

"Unless it is spread with some con-

sideration of losses, it is not a proper allocation," he said.

Top management, he added, should look at insurance not only as a bulwark against loss, but as a means of releasing working capital. There are still those who speak of insurance as a tax, a necessary evil, only because they have never taken the "trouble to inquire into the benefits of insurance."

The most important insurance step which management can take is to develop an insurance procedure manual for distribution to various departments so department heads will know the firm's policy on insurance and what is covered, he said.

Mr. Gallagher, looking into the future, predicted a period of increasing insurance cost the next five years or so, followed by a long decrease, as a result of new federal and state laws and regulations.

#### Ward Joins J. O. Cobb

William Ward has become associated with James O. Cobb & Co., managing general agents of Durham, N. C., as vice-president. His headquarters temporarily remain at Charlotte. He is a graduate of North Carolina State College and was with North Carolina In-

spection & Rating Bureau from 1929 to '39. In more recent years he has been in the North Carolina field for Fidelity-Phenix and Niagara Fire.

#### Plan Griffith Foundation

Formal steps toward organizing the Charles W. Griffith Memorial Foundation for insurance education were taken at Columbus this week. The foundation will be an addition to the Griffith Memorial Library at Ohio State University.

Mr. Griffith was an honor graduate of Ohio State University, and was with the Ralph W. Hoyer agency of John Hancock at Columbus. He was the youngest man ever to serve as president of Columbus Life Underwriters Assn. He was killed in action in France during the recent war.

A cooperating committee to take charge of the foundation is being formed.

#### Tennessee Convention Set

The 1950 annual meeting of Tennessee Assn. of Insurance Agents will be held at Hotel Peabody, Memphis, Oct. 26-27, with Memphis Insurers as official hosts. The dates were set at a meeting of the association's directors.

## It Takes TEAMWORK to Build

# Security...Strength...Service

### UNITED STATES RESOURCES AS OF DECEMBER 31, 1949

Year Estab- lished		SECURITIES DEPOSITED AS REQUIRED BY LAW	1TOTAL ADMITTED ASSETS	LIABILITIES	CAPITAL	SURPLUS TO POLICY HOLDERS (Includes Capital) Annual Statement Basis	Market Quotation Dec. 31, 1949
1896	American & Foreign Ins. Co. . . . .	\$261,241	\$15,193,139	\$ 8,879,793	\$1,500,000	\$ 6,313,346	\$ 6,477,927
1863	The British & Foreign Marine Ins. Co., Ltd.* . . . . .	923,580	9,042,963	4,777,239	500,000	4,265,724	4,334,586
1922	Eagle Indemnity Co. . . . .	684,864	13,170,293	7,747,624	1,000,000	5,422,669	5,509,474
1911	Globe Indemnity Co. . . . .	805,000	74,778,669	50,297,282	2,500,000	24,481,387	25,356,670
1836	The Liverpool & London & Globe Ins. Co. Ltd.* . . . . .	758,780	33,231,286	20,950,134	500,000	12,281,152	12,579,265
1811	The Newark Fire Ins. Co. . . . .	515,551	19,712,162	11,878,936	2,000,000	7,833,226	8,064,453
1891	Queen Insurance Co. of America . . .	625,923	50,155,622	30,462,444	5,000,000	19,693,178	20,155,424
1910	Royal Indemnity Co. . . . .	968,649	73,477,347	46,894,457	2,500,000	26,582,890	27,411,416
1845	Royal Insurance Co., Ltd.* . . . . .	711,198	37,867,207	23,638,379	500,000	14,288,828	14,527,018
1896	Star Ins. Co. of America. . . . .	471,684	17,332,803	10,586,322	1,000,000	6,746,481	6,876,401
1860	Thames & Mersey Marine Ins. Co., Ltd.* . . . . .	662,983	5,373,366	2,658,577	500,000	2,714,789	2,735,866
1832	Virginia Fire & Marine Insurance Co. . . . .	300,077	5,395,655	3,187,851	1,000,000	2,207,804	2,270,760

† Includes Securities Deposited as required by Law.

\* United States Branch. The amount shown under "Capital" is the statutory deposit required to transact business in the U.S.A.

### CASUALTY—FIRE—MARINE COMPANIES OF THE

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THE  
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Insurance Company, Hartford, Conn.  
1854

The  
Connecticut  
Fire Insurance Co., Hartford, Conn.  
1850

FOUITABLE  
Fire & Marine Insurance Company  
PROVIDENCE, R.I.  
1859

ATLANTIC FIRE INSURANCE CO.  
Raleigh, North Carolina

THE CENTRAL STATES FIRE INS. CO.  
Wichita, Kansas

GREAT EASTERN FIRE INSURANCE CO.  
White Plains, N. Y.

MINNEAPOLIS F. & M. INSURANCE CO.  
Minneapolis, Minn.

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All Forms of Fire and  
Property Insurance including  
Ocean and Inland Marine  
Country-wide Brokerage Service

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## Convention Dates

April 12-14, zone 4, of National Assn. of Insurance Commissioners, Edgewater Beach Hotel, Chicago.

April 14, New Jersey Agents, midyear, Hildebrecht Hotel, Trenton.

April 17, Rhode Island agents, midyear, Sheraton-Biltmore Hotel, Providence.

April 17-18, National Assn. of Insurance Agents, Far West Agents Conference, St. Francis Hotel, San Francisco.

April 20, Milwaukee Insurance Day, Hotel Schroeder.

April 20-21, National Assn. of Independent Insurers, regional, Plaza Hotel, San Antonio.

April 22, zone 2 National Assn. of Insurance Commissioners, Wilmington, Del.

April 25-26, Western Underwriters Assn., White Sulphur Springs, W. Va.

April 27-29, Louisiana agents, annual, Alexandria.

May 1-3, U. S. Chamber of Commerce, annual, Washington, D. C.

May 1-3, Inland Marine Insurance Bureau and Inland Marine Underwriters Assn., annual meetings, White Sulphur Springs, W. Va.

May 3-5, Iowa Assn. of Insurance Agents, annual, Sioux City.

May 4-5, Insurance Federation of Pennsylvania, annual meeting, Hotel William Penn, Pittsburgh.

May 4-6, North Carolina agents, annual, Carolina Hotel, Pinehurst.

May 5-6, Florida Assn. of Insurance Agents, annual, Ormond Beach hotel, Ormond Beach.

May 8-9, New York agents, annual, Hotel Syracuse, Syracuse.

May 8-10, American Assn. of Managing General Agents, Edgewater Gulf hotel, Edgewater Park, Miss.

May 10-13—Insurance Accounting & Statistical Assn., annual meeting, Hotel Statler, Boston.

May 11-13, Mississippi Agents, annual, Buena Vista Hotel, Biloxi.

May 11-13, Texas agents, annual, Fort Worth.

May 15-16, Oklahoma Agents, annual, Tulsa.

May 15-17, National Assn. of Mutual Insurance Agents, midyear, Cavalier Hotel, Virginia Beach.

May 15-18, National Fire Protection Assn., annual, Atlantic City.

May 16-18, Alabama agents, annual, Jefferson Davis Hotel, Montgomery.

May 16-18, Kansas field clubs, Larson hotel, Wichita.

May 17, Midwestern Independent Statistical Service, Hotel La Salle, Chicago.

May 17-19, Alabama Agents, annual, Montgomery.

May 18-20, Arkansas agents, annual, Arlington Hotel, Hot Springs.

May 22-23, Florida-Georgia Mutual Agents, annual, Oglethorpe Hotel, Savannah, Georgia.

May 22-23, Casualty Actuarial Society, spring meeting, Red Lion Inn, Stockholm, Mass.

May 22-24, American Management Assn., insurance section, Hotel Statler, New York.

May 24-25, Oklahoma Fire Underwriters Assn., annual, Lake Murray, Ardmore.

May 29-31, Southeastern Underwriters Assn., annual meeting, Homestead hotel, Hot Springs, Va.

May 31-June 2, Missouri Fire Underwriters Assn., annual, Lake Taneycomo.

June 5, Connecticut Agents, midyear, Tamarack Country Club, Greenwich.

June 5-7, H. & A. Underwriters Conference, annual, Hotel Statler, New York.

June 6, South Dakota Fire Underwriters Assn., annual, Marvin Hughitt Hotel, Huron.

June 7-8, Illinois Field Clubs, joint annual meetings, Hotel Urbana-Lincoln, Urbana.

June 14-16, Indiana Fire Underwriters Assn., annual, Maxinkuckee Inn, Culver.

June 12-16, National Assn. of Insurance Commissioners, annual, Quebec.

June 13-14, Michigan Fire Underwriters Assn., Ramona Park Hotel, Harbor Springs.

June 15-17, Virginia agents, annual, Homestead, Hot Springs.

June 15-17, New England Assns. of Insurance Agents, Poland Spring Hotel, Poland Spring, Me.

June 20-22, Wisconsin Fire Underwriters Assn., annual, Maxwellton Braes, Bailey's Harbor.

June 21-22, Minnesota Field Clubs, joint annual meetings, Pine Beach Hotel, Brainerd.

June 21-22, Tennessee Fire Underwriters Assn., annual, Lookout Mountain Hotel, Chattanooga.

June 21-22, Kentucky Fire Underwriters Assn., fire prevention association, and Blue Goose, Kentucky Dam Village, Gilbertsville.

June 22-24, Georgia Agents, annual, General Oglethorpe Hotel, Savannah.

June 22-24, National Assn. of Independent Adjusters, annual, French Lick, Ind.

June 26-30, International Assn. of A. & H. Underwriters, annual, Detroit.

Aug. 8-10, Grand Nest of Blue Goose, French Lick Springs, Ind.

Aug. 24-25, Minnesota Agents, annual, Hotel Nicolet, Minneapolis.

Sept. 6-8, C.P.C.U., annual, Cleveland.

Sept. 10-12, Montana Agents, annual, Billings.

Sept. 10-12, Pennsylvania Agents, annual, Bedford Springs Hotel, Bedford.

Sept. 14-16, Washington Agents, annual, Spokane.

Sept. 18-20, International Claim Assn., Greenbrier hotel, White Sulphur Springs.

Sept. 20-22, Oregon Agents, annual, Portland.

Sept. 25-27, Bureau of A. & H. Underwriters, annual, Sky Top Manor, Poconos, Stroudsburg, Pa.

Sept. 25-27, Idaho Agents, annual, Sun Valley.

Oct. 2-5, National Assn. of Insurance Agents, annual, Stevens Hotel, Chicago.

Oct. 12-13, South Carolina agents, annual, Columbia Hotel, Columbia.

Oct. 16-18, National Assn. of Mutual Insurance Agents, annual, Hotel Statler, N. Y.

Oct. 19-20, Nebraska agents, annual, Cornhusker hotel, Lincoln.

Oct. 23-25, California Agents, annual, Fairmont and Mark Hopkins hotels, San Francisco.

Oct. 24-25, Massachusetts Agents, annual, Springfield.

Oct. 24-26, Wisconsin Agents, annual, Hotel Schroeder, Milwaukee.

Oct. 25-27, Kansas Agents, annual, Wichita.

Oct. 26-27, Tennessee agents, annual, Hotel Peabody, Memphis.

Nov. 13-15, Kentucky Agents, annual, Kentucky hotel, Louisville.

Nov. 15-16, Connecticut Agents, annual, Hotel Bond, Hartford.

Nov. 27-28, Missouri agents, annual, Elms Hotel, Excelsior Springs.

Dec. 10-15, National Association of In-

## Wis. Auto Financing Law Target of GMAC Appeal

MADISON, WIS.—An appeal from a Dane county circuit court decision upholding the constitutionality of the Wisconsin law applying to automobile dealers participating in insurance premiums and financing charges, has been filed with the Wisconsin supreme court by General Motors Acceptance Corp. The present statute gives the state banking commission authority to set a limit on commissions on financed car sales. A 10-year-old regulation of the commission placed a \$20 limit on the amount a dealer may retain of the financing and insurance charges of a finance company on each transaction. This money is a reserve against a deal falling through.

GMAC contends that the \$20 limit should apply only to the financing charge and that in addition it should be permitted to pay dealers as its agents 25% of the insurance premiums required. GMAC started suit to have the state law declared invalid. The banking commission maintained that its regulation had resulted in lower financing charges in Wisconsin than are imposed on car buyers by the same financing organization in other states.

## Hike E. C. Rates in Okla.

Extended coverage rates have been increased in Oklahoma on all lines. Dwelling classes are increased from 28 cents to 40 cents and ordinary mercantiles from 39 cents to 55 cents with new rates for 80% or higher co-insurance up from 14 cents to 20 cents.

Insurance Commissioners, midyear, Biltmore Hotel, Los Angeles.

## WANT ADS

Nationally known large manufacturer has immediate opening for Senior Safety Inspector. Apply only if:

- Advanced in problems of diversified combustible and toxic solvents.
- Interested in locating in mid-west and 30 to 45 years of age.

Please include in your reply age, education, experience, salary expected and a recent snapshot if possible. Address Z-29, The National Underwriter, 175 W. Jackson Blvd., Chicago 4, Ill.

### INSURANCE COMPANY ACCOUNTANT

Have excellent opportunity for young insurance company accountant who is thoroughly familiar with all schedules required in fire and casualty company annual statement form. Must have basic knowledge of IBM equipment and statistics preparation. Accounting degree not essential but desirable. Address Z-46, The National Underwriter, 175 W. Jackson Blvd., Chicago 4, Illinois.

### OPPORTUNITY

A young but rapidly growing mutual fire and casualty insurance company in central Wisconsin wishes to employ a young man to work in all departments and eventually become its personnel and office manager or underwriter. Applicant must have youth, health, good scholastic record, I. Q., appearance, moral character, personality, leadership and creative abilities as well as a willingness to work. Address Z-41, The National Underwriter, 175 W. Jackson Blvd., Chicago 4, Illinois.

### POSITION OPEN

for Fire Prevention Inspector under 40. Experience preferred although we will train a man willing to work and learn. Extensive traveling involved. Good opportunity for advancement. Address Z-23, The National Underwriter, 175 W. Jackson Blvd., Chicago 4, Illinois.

### WANTED

SPECIAL AGENT—Nationally known Stock Fire Insurance Company has opening in Kansas-Missouri for Fieldman under 32 with rating bureau experience. Excellent opportunity for advancement in established field. Reply giving age, educational background and experience. Address Z-42, The National Underwriter, 175 W. Jackson Blvd., Chicago 4, Ill.

### FOR SALE

Sanborn Fire Maps, Peoria, Illinois, four volumes, used, \$250.00, J. H. Fahnestock, Rialto Bldg., Peoria, Ill.

### WANTED—FIRE UNDERWRITER

to supervise fire and allied lines writing for general agency operations in Utah, Colorado, and Idaho. Work out of H.O. in Salt Lake. Salary commensurate with ability and experience. Address Z-49, The National Underwriter, 175 W. Jackson Blvd., Chicago 4, Ill.

### OPPORTUNITY

for man experienced in general fire and casualty lines as special agent or field man, to supervise agencies in Colorado and manage branch office and general agency at Denver. Address Z-48, The National Underwriter, 175 W. Jackson Blvd., Chicago 4, Ill.

Excellent opportunity for advancement in Chicago Underwriting Department of Progressive fire company. Two years fire insurance experience essential. Give personal, educational and complete experience details and expected salary range. Replies held confidential. Our staff knows of this ad. Address Z-50, The National Underwriter, 175 W. Jackson Blvd., Chicago 4, Ill.

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## N. A. I. A. Adopts Plank on Commission Situation

(CONTINUED FROM PAGE 1)

opposed to any control by legislation or governmental agency, but feels that complete absence of commission controls could produce a dangerous situation, at either end of the cycle. During a time of unusual underwriting profit, competition between companies could increase commission levels to the point that a government might intervene and impose statutory control and the same situation would play into the hands of direct writers. On the other hand, during a period of unusual underwriting losses, commissions could easily be reduced to a point which would endanger the standard of living of agents.

### Commission Committee Appointed

Consequently, Mr. Carson's committee urged that the agents recognize the principle that rates of commissions should be in the public interest and subject to the same tests of adequacy, reasonableness and unfair discrimination as are applied to rates, and that there should be full cooperation between the agency management committee and a committee on commissions, that the principle of private contract should be protected and consideration of commissions should be on a bi-lateral basis, that agents should be recognized as independent contractors and opposed to collective bargaining, and that ways and means should be found to meet with representatives of insurance companies for the purpose of discussing the commission portion of the expense factor in insurance rates, on a national level. The report also recommended appointment of a permanent committee on commissions.

J. H. Carney, Eau Claire, Wis., member of the national executive committee, moved that a permanent committee be constituted, consisting of at least one member from each territorial conference, with three specific duties. They were to formulate and recommend a national policy on commissions, to consult whenever and wherever occasion may require with any other segment of the insurance business or governmental agency and to keep the board informed of developments in this important situation. In making his motion, Mr. Carney said it was amazing that the committee could come to unanimous conclusions on this explosive subject. He praised the committee for the work it had undertaken and its exhaustive study. The motion carried unanimously.

### Finances in Good Shape

H. T. Minister, Columbus, chairman finance committee, reported that the executive committee had approved a budget of \$305,350 for the fiscal year beginning September, 1950. This is an increase of \$6,650 over the \$298,700 budget for the current fiscal year.

Mr. Jester brought up the matter of complaints that Blue Cross and Blue Shield organizations have been able to secure discrimination for their subscribers, over insured in regular insurance companies in the matter of physicians' fees and getting hospital facilities. After some discussion, the matter was referred to the executive committee.

W. B. Glassick, Los Angeles, chairman agency management committee, described the work of his committee in setting up a system of cost accounting for insurance offices. A survey is being made and he urged the agents to cooperate in answering the questions. He said the committee is working to establish three items of agency cost, sales expense, internal office service and management expense. He introduced J. Huell Briscoe of Chase Conover & Co., insurance accountants of Chicago, who is cooperating in the study. At his motion, the committee was directed to continue its study.

Roger Clarke, Fredericksburg, Va., told of the work his association has done with Virginia Bankers Assn. in intro-

ducing and explaining surveys of the insurance of banks.

The national board of state directors at its final session adopted a statement calling the attention of Factory Insurance Assn. "to the need for additional capacity on large risks involving both property damage and U. & O. Active competition requires from stock carriers a recognition of the fact." F.I.A. therefore was requested to broaden the scope of its operation "so as to render necessary insurance protection that can be offered by the agents to the assured."

### Multiple Monthly Reporting Forms

Another statement reads: "It is regrettable that continued confusion and disagreement continues with regard to multiple monthly reporting forms of property insurance. We urge all companies and regulatory bodies to submerge individual preferences and prejudices in order that a workable plan or plans may be developed for this important class of insurance buyers. Obviously, such confusion and disagreement

can only result in driving such risks into non-admitted carriers."

L. S. Kidd, Brazil, Ind., was appointed chairman of the steering committee at the opening session.

After M. G. Herndon, Washington representative, had given his report, there was a lively discussion on non-occupational disability compensation disability laws, led by A. B. Fair, Natick, Mass., chairman of the special committee on this subject. Mr. Fair reviewed the laws in the four states having this type of legislation and also the proposals in the 25 states which considered them last year or have them before their legislatures now. Pointing out that three of the four states now having this legislation permit the substitution of private insurance plans for insurance in a state fund with only Rhode Island having a monopolistic state fund, Mr. Fair said that the New York type of law seems the most desirable, both from a viewpoint of public protection and from that of giving private business an opportunity to exist.

During the animated discussion which followed, representatives of the states having these laws were asked to express themselves.

D. R. McKown, Oklahoma City, asked why competitive state funds should be supported at all, and whether insurance men should not work actively for a type of law which leaves the entire matter up to private insurance, with assigned risk plans to take care of employers who otherwise cannot get insurance. W. B. Glassick, Los Angeles, said that historically the California law originated because the swelling of payrolls during the war gave the state unemployment compensation fund an embarrassing surplus, and the state had to do something about it. Insurance men in California, he said, were fortunate to get private insurance recognized at all, and have been doing fairly well since the law went into effect. Under the California law, private insurance is permitted only if a plan sponsored by an employer offers benefits greater than those available under the state law. Competition, he said, has brought some favorable plans from private insurers, and in general private insurance has acquitted itself well.

F. W. Norgard, state national director for Washington, described the situation



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HANDY with a HAMMER\***

**\*But It Is Our Business  
to Build up Your Business**

While you probably won't find us pounding away with hammer and nails here at The Kansas City, we are constantly pounding away at developing new and successful ideas to build up your business.

For instance, the well-known Personal Property Floater was originated a few years ago by officers of The Kansas City. Today

this widely written Floater offers better protection for the public . . . more premiums for you. What's more, the officers and field representatives of The Kansas City are always ready to advise you about ways to increase your premium volume.

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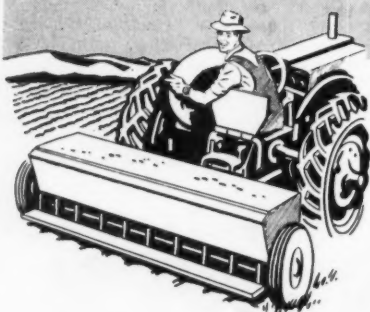
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OFFICES IN PRINCIPAL CITIES  
COAST TO COAST

in his state, where a competitive fund plan, similar to that of California, was passed by the legislature last year, but has been held up for a referendum this fall. He said casualty insurance men are opposed to this plan and principle because of its sponsoring a competitive state fund, and are working actively to beat it at the polls. Many life and accident insurance men, he said, are for it, but his association is fighting it actively and hopes to stop it.

### Hopes to Beat It

At Mr. Norgard's request, Irwin Mesher, Seattle, secretary Washington association, was given the floor. He said that to the best of his knowledge the coming Washington referendum is the first time any plan involving social insurance and payroll deductions has been put on a public ballot anywhere. Casualty insurance men and agents, he said, campaigned for signatures to get the effective date of the bill postponed pending referendum action, and got twice as many as were needed. Mr. Mesher maintained stoutly that there is no public demand for a law of this type, that such laws are agitated by labor leaders and that workers generally do not favor more payroll deductions. He said that labor leaders inserted the provision for optional insurance in private carriers as bait for insurance men but his organization is not falling for it.

C. I. Fisher, Providence, related the history of the Rhode Island law. It was the first such law passed in 1942, and is the only one which provides for a state monopoly. He said this bill was sponsored by Gov. J. H. McGrath, now U. S. attorney-general, and, curiously enough, as part of a states rights campaign. It



Pete Hawes, vice-president of Speed Warner, Inc., Kansas City (left), and Webb Woodward, prominent local agent of Topeka, as they appeared before camera of Harry H. Fuller, deputy U. S. manager of Zurich, at N.A.I.A. meeting at St. Louis.

was sold to the Rhode Island legislature, Mr. Fisher said, at a time when agitation for federal health insurance funds had just begun and it was represented as a means of keeping the federal government out of the health insurance picture. Mr. Fisher said that the bill passed by default, with no insurance company or organization even bothering to appear at the hearings at Providence, despite the pleas of insurance men in that state to recognize the threat to the business. Mr. Fisher was insistent that such plans can be beaten if the work is done, agreeing entirely with Mr. Mesher that the average worker is sick of payroll deductions. He said that Rhode Island took advantage of the federal law permitting any state with a cash sickness fund to withdraw its contribution from the federal unemployment compensation fund. Rhode Island, he said, got \$28 million credit and is now operating its cash sickness fund at an annual deficit at about \$400,000. This credit keeps the non-occupational disability compensation fund solvent, but the Rhode Island unemployment compensation fund is probably in the worst financial shape of any in the country. Because of this critical condition, Mr. Fisher, said, labor leaders are

willing to restore a 1% payroll deduction for the unemployment compensation fund. However, Mr. Fisher said that such a proposal will never get by the state advisory committee, of which he is a member, without it being tied to a referendum vote, and he is willing to bet that this will never pass a referendum. He said that labor leaders exaggerate their power and the number of people they represent. Actually, he claimed that, even in as industrialized a state as Rhode Island, the big labor union leaders represent only about 20% of the voters.

### N. J., N. Y. Agents Satisfied

C. H. Frankenbach of New Jersey said that the New Jersey law, with a competitive state fund, was a compromise and probably as good as a one as the private insurance business could have made. During the time the law has been in force in New Jersey, the proportion of insurance written by private carriers has increased steadily. Unlike the California law, private insurance may qualify in New Jersey if it provides benefits at least equal to those under the state fund, and Mr. Frankenbach said that private insurance contracts have been liberalized to a noticeable extent.

R. M. L. Carson, Glens Falls, N. Y., said that the competitive state fund in New York was also a good compromise and followed the established pattern of workmen's compensation insurance in that state. He said he does not think it is politically possible to avoid some form of state fund, because of the distrust of labor leaders for the insurance business, they feeling that insurance people are more interested in profits and commissions than in the welfare of workers. He said that almost every legislative session there is introduced a bill to make the state workmen's compensation fund monopolistic, but the insurance interests have been able to hold their own and he thinks they will be able to do so indefinitely. Parenthetically, he pointed out that the most active competition for the state workmen's compensation fund has come from mutuals, rather than stock companies. Mutuals, he said, have aggressively solicited big risks in the state fund and often have worked hard on those with sour experience, gotten them out of the state fund and turned them into desirable risks. He said he wished the stock companies would follow this example.

President Johnson said that two new committees would be appointed. One will work on establishing speakers bureaus at the state level and the other will explore ways and means of combating the practices of financial institutions in many localities making arrangements with direct writing carriers for blanket coverage and property they finance, usually with some form of commission dividend or reserve paid to the institution.

### Herndon Gives F.T.C. Sizeup

Mr. Herndon predicted in his report that the federal trade commission will release a report reasonably favorable to state regulation. There is, he said, a split in FTC on this point, but Chairman Mason is supposed to agree with Senator McCarran's position that the states can do the job properly. The split seems to be over whether FTC has the power to determine whether a state statute is adequate to prevent malpractice and is being administered in the public interest.

On the question of bonding federal employees, raised by the Hoover report, Mr. Herndon said that the pressure to reduce this cost will probably result in self-insurance unless the companies find an answer. He reviewed the negotiations to date and said a hearing has been tentatively set for April 7.

Mr. Herndon also reviewed the commodity credit corporation and social security situations. He predicted that the present status of agents will be preserved, but said that the prominence of pensions in strike settlements has changed public thinking and has caused

many business interests to advocate extension of social security to take some of this cost off the government. He urged insurance men to ascertain, through the N.A.I.A. Washington office or otherwise, the status of any bills or

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situations before writing congressmen. The report referred to the work of the N.A.I.A. staff as a "team". Mr. Herndon got a laugh when he added that it used to be a football team but now is only a basketball team.

L. P. McCord, Jacksonville, education chairman, announced that E. A. Toale of America Fore education department will become assistant director of education next month.

At the final session H. H. Corson called to the front of the room Mr. and Mrs. Harry J. Parrish of Oklahoma City, who had been married March 25. The groom is the son of a prominent general agent of that city.

#### Fire Legal Liability Forum

Earlier in the afternoon Dave R. McKown of Oklahoma City pinch-hit for Emil L. Lederer of Chicago, in presiding at a forum on fire legal liability. The panel members were R. V. Hood, Duluth; William L. Leppert, Indianapolis; Gerald E. Myers, W. A. Alexander & Co., Chicago, and the moderator was George V. Whitford, assistant western manager of Fire Association.

Mr. Whitford observed that casualty spokesmen say that it is primarily a fire rating problem, whereas fire spokesmen believe the solution lies in a casualty form. "Some of us", he said, "feel that it is illogical and redundant to force a tenant to carry legal liability insurance, and at the same time collect a premium on the building, which supposedly includes the hazard of the occupancy. Others agree in part, but feel that it would be morally, and perhaps legally wrong to excuse all third parties from all negligence."

"When we think of subrogation, waiver of subrogation and right of subrogation, all closely related to the problem, we find more confusion. From one source we hear that a waiver of subrogation on a fire policy is unnecessary. From another source, we hear that the first source hasn't read the case book."

#### Public Relations Question

Some think that subrogation suits are "poor public relations" while others feel it is duty of the companies to bring suit against the negligent third party.

"The time has arrived to consider the problem objectively, to control our emotions, to seek perspective. We want to know if fire legal liability is a 'scare' growing out of one or two sensational cases, or whether we have been living in a fool's paradise, and have been jeopardizing the trust placed in us by our clients."

Mr. Whitford said we can never go back to the good-old-day when subrogation suits growing out of fire losses were unheard of. "We all have a new responsibility to our clients."

Mr. Hood voiced the belief the fire companies are in a better position to handle such insurance because they can get the legal services needed and can more easily develop the rating know how of legal liability material damage loss to real property. "Actually", he continued, "multiple underwriting is progressing so rapidly that there is no object in discussing as to which type of carrier should provide such coverage. It is much more important that the companies develop some form of scientific rating procedure to properly measure the hazards."

#### Market Slow to Develop

This market has developed slowly because the amount of coverage written is small, so actual loss based on experience is slow in developing, because opinion among executives has not crystallized as to the proper rate structure or the coverage to be provided so the reinsurance market is very limited, and the market potential is limited.

Mr. Hood contended that a subrogation clause is the equitable manner in which to fix responsibility for negligence.

Mr. Leppert said fire and casualty companies have been taking the position they have because there has not been sufficient demand for fire legal liability

insurance. "It would be very expensive for either side to set up the machinery to handle the coverage, such as creating treaty reinsurance arrangements and rating and underwriting procedure. You can readily see that to create this market and then not have the business produced by the agents would just be money thrown down the drain."

"However, the need for this coverage is becoming more widespread, and the time is approaching for a greater demand. I believe that one of these days the companies are going to be deluged with the demand for fire legal liability insurance from both the producers and the public."

"The fire companies are well aware of their subrogation right and, since the war, have been using it successfully. It is thought they will continue to do so in greater volume in the future."

#### General Mills Case

Mr. Myers said there would have been no General Mills case if the lease had been written to include certain provisions. For example, if the lease had provided that both lessee and lessor should be named as insured under the policies and, that insurance was to be carried to the full-value, or say, 80 or 90% of the insurable value, then the insurer for exactly the same rate and premium would have covered the risk of loss which ultimately cost General Mills the full value of the building.

The day had started with a breakfast session for rural agents, with C. R. Hewitt of Dorset, Minn., presiding, while the morning session of the territorial conference was devoted to a forum on agency expense presided over by Robert Maxwell of Texarkana, Ark.

### Poses Statement Problems Under Installment Plans

(CONTINUED FROM PAGE 1)

reviewed the situation in his state. He pointed out that all stock companies there are members of the rating bureau and it was held that the installment payment question would have to be brought to the department through the rating bureau. The North America plan was rejected on the ground that it did not come up through the avenue of the bureau.

The matter went to court and the decision was that North America did not have the right to come in with its plan independently. However, a decision was not given on the merits of the case. He said he appreciates the study of the term plan and related matters that was conducted by the New York department and he suggested that the subcommittee be asked to bring in a report at the Quebec meeting of N.A.I.C. in June.

#### No Mention of Term Rule

Incidentally, he mentioned that there was no mention during the all-industry committee meetings of the term rule. Apparently here he was alluding to Mr. Dineen's remark that there had been no discussion at those meetings of the installment payment plan.

E. A. Meyers of the Chicago law firm of Ekern, Meyers & Matthias pointed out that some companies issue annual policies rather than following the installment payment theory. This is much easier on surplus and provides smaller companies with greater writing capacity. There are 16 companies in National Assn. of Independent Insurers that operate on that plan. This permits the public to get its insurance for less, it is simpler and the lower rate after the first year is justified by savings in expense. This is a deviation proposition. It was used by General of Seattle for many years.

On the question of the installment premium plan not having been mentioned at all-industry committee meetings, Mr. Meyers opined that the conferees were so occupied with other problems

(CONTINUED ON NEXT PAGE)

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that there were a great many questions that never arose during the sessions.

Commissioner Larson of Florida told about the tangled situation in his state involving complicated court procedures.

Superintendent Gwaltney of Alabama was asked about the situation in his state. There, North America had filed an order challenging the authority of the rating bureau to take jurisdiction and oust the installment plan. Just prior to the Miami Beach meeting, the court there entered an order that the rating bureau did not have authority to issue such an order.

Mr. Gwaltney pointed out in his state under the department of com-

merce there are the divisions of banking, insurance, rates and building and loan. He said he has no supervision over the bureau of rates and that is where the term plan came up. Both plans that were submitted were disallowed by the rating bureau and "certain companies" petitioned the court which has now held that the bureau of rates acted without authority. "Where we go from here, I don't know," he said. "Donald Pierce is supervisor of rates. He is the man to ask."

Insurance Square Club of New Jersey will hold "Monte Carlo Night" April 17 at Newark.

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## NEWS OF FIELD MEN

### Little Retiring, Volz Takes Over Iowa Field for Fireman's Fund

Thomas C. Little, state agent in eastern Iowa for Fireman's Fund since 1935, is retiring under the company's established pension plan. He is succeeded by Wes Volz who has been state agent in western Iowa and is now assuming supervision of the entire state for all departments.

Mr. Little started in the insurance business in 1908, in Dallas, and in 1927 was appointed state agent for Fireman's Fund at Detroit, being transferred to Iowa in 1935.

Mr. Little was given a party at Des Moines by his agency friends and Fireman's Fund associates and was also honored at a dinner given by the Iowa field men.

Assisting Mr. Volz will be Robert Tidrick, W. R. Martin and Otto Besch.

### Wis. Blue Goose Honors Three Retiring Veterans

MILWAUKEE — Wisconsin Blue Goose held a dinner meeting to honor three members who are retiring from field work. Allen H. Larson, past most loyal gander, is resigning as state agent of Fireman's Fund after 32 years with the company and 15 years in Wisconsin, to take over the Hugh Bird agency at Beaver Dam. Arthur O. Andersen, assistant manager western department, came from Chicago to pay tribute for the company, and Thomas Hites, Boston, presented a gift from the nest.

Thomas Larkins, special agent of Hartford Fire, pensioned after 32 years in the field, was presented a life membership certificate and a gift from the nest by Eli Shupe, special agent Home. Mr. Larkins is retiring from field work but is assisting his son-in-law, N. E. Clark, of Clark Adjusting Co., Madison, part time.

George Y. Wilkinson, a veteran of 61 years in the insurance business, has retired from active business. Until recently he operated the Myers & Wilkinson agency and until 12 years ago was also active as special agent in Wisconsin for Northwestern Fire & Marine on a part time basis and more recently continued his affiliation with occasional duties. His gift was presented by Howard W. Bailey, Bankers & Shippers.

Frank Risley, Great American, was toastmaster at the dinner, and John Nelson, Home, most loyal gander, presided. The spring dinner dance will be held April 15, with arrangements in charge of Howard Bailey, Jr.

### Fireman's Fund Names Two in Oklahoma

Fireman's Fund has appointed M. B. Van Hoose and George Russell as special agents in Oklahoma associated with R. H. Cowan, state agent, with headquarters at Oklahoma City.

Mr. Van Hoose attended the University of Tulsa and has been in the local agency business for five years following service with the Oklahoma Inspection Bureau.

Mr. Russell, a graduate of Duke University, has had home office training and field experience in Kansas.

### Tenn. Prevention Activities

Tennessee Fire Prevention Assn. officials will participate in a meeting at Lebanon April 13. Leon McGilton, American, will speak on "Recording Business," John F. Lee, manager Tennessee Audit Bureau, on "Function of the Audit Bureau," and Robert Forker, general adjustment Bureau, on "Loss Adjustments." J. R. Claypool, Jr., America Fore, will be master of ceremonies and local agents of stock companies will discuss types of fire policies,

rates, etc. The Lebanon Jaycees are sponsoring the meeting.

An inspection of Elizabethton is planned for April 20. Tennessee Blue Goose will stage a party at Johnson City that night.

### Put Out Booklet on Mich. Public Relations Program

Michigan public relations committee has prepared a booklet, "The Michigan Plan of Public Relations," for distribution to field men in the state. The booklet gives a summary of progress since the public relations program was organized in 1946, and lists the nine point program of Western Underwriters Assn. and Western Insurance Bureau.

Organization of the Michigan public relations committee with Roland H. Lange, Hartford Fire, as state director, is shown as to regions and committees. There is a map showing areas supervised by the district committees, and a list of volunteer speakers is given. Complete committee lists also are included, and at the back there is a list of duties and responsibilities of the committees.

There are introductory letters from Mr. Lange, E. C. Sauley, Great American, president of Michigan Fire Underwriters Assn., and Walter G. Dithmer, field supervisor of Western Underwriters Assn.

### Home Makes Changes in Kansas, Missouri, Cal.

Curtman T. Maupin, state agent for Home at Topeka, Kan., has been promoted to manager there, and Park C. Chambliss, associate state agent, has been promoted to state agent at Kansas City.

Claude R. Parrent has been appointed adjuster at Los Angeles. Mr. Parrent joined Home as a clerk in the loss department at Los Angeles in 1948.

### Howard in West Texas Post

Jim Howard has been appointed special agent in west Texas, with headquarters at Lubbock, for Yorkshire and Seaboard Fire & Marine.

### Perrin to Be Local Agent

Frank C. Perrin, special agent of American National Fire, Columbus, has resigned. John F. Heller, Jr., special agent, who has been with the company since his discharge from the navy, will take over his duties. Mr. Perrin will enter the local agency business at Canton.

### Kortemeyer in Ia., Neb. Field

FORT WORTH—E. O. Kortemeyer of Dubuque, Ia., has been appointed state agent in Iowa and Nebraska for Commercial Standard. He will develop both fire and casualty business in Iowa and casualty lines in Nebraska. Mr. Kortemeyer, who has been in insurance for 30 years, was formerly with Dubuque Fire & Marine, Kansas City Fire & Marine and Buffalo.

### Inspectors Put Out Fire

In the inspection of Troy, Mo., James E. Bullfish and Clarence E. Grundish, National Union, while inspecting a bakery discovered a small rubbish fire under an outside stairway and extinguished it without calling the fire department.

S. L. Lefterson, Royal-Liverpool, was in charge of the inspection while Case Collard, local agent, was chairman on

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local arrangements. Talks at the schools were made by Arthur L. Corey, Travelers Fire, and W. H. Crandal, Aetna Fire.

Douglas Brooks, Home, association secretary, presided at the luncheon at which William Klosterman, Loyalty group, spoke on "Fire Prevention a Community Problem."

### Plan Ill. Blue Goose Party

Plans have been completed for the Illinois Blue Goose spring dance, which will be conducted at the Webster hotel, Chicago, April 29. This is the big social affair of the year for the Illinois field men, and a good crowd is expected. Alvin G. Keats, most loyal gander, is in charge of arrangements.

### Camden Field Club Elects

George A. Deininger, Glens Falls, has been elected president of Insurance Field Club of Camden, N. J. William P. Cheadle, North British, is vice-president, and Herbert S. Tripple, Jr., Camden Fire, reelected secretary.

Joseph W. Ritger, Royal Liverpool, was elected treasurer and on the executive committee are Albert J. Mortier, America Fore; Samuel G. Ruhl, Home, and Ernest E. Dancer, Fidelity & Guaranty.

### Distel Heads Ariz. Fieldmen

Arizona Fieldmen's Assn. has elected Frank Distel, state agent of Home, president. R. W. Polk, state agent of St. Paul F. & M., is vice-president and Donald E. Sell, special agent of Cravens, Dargan & Co., secretary.

### Achatz to Ohio Field

James D. Achatz, has been named special agent for Pacific National Fire in Ohio with headquarters at Columbus. Mr. Achatz was with Home for three years and before that was for three years with the navy air corps.

### St. Paul Has Field Parleys

ST. PAUL—State and special agents of the three St. Paul companies from

all fields except the Pacific Coast began a series of home office conferences April 3 which will continue through May 6. They are being handled in groups with a week's session for each.

### Cal. Field Men Reassigned

Royal-Liverpool has named J. B. Gellatly special agent at Bakersfield, Cal., and Arlington C. Ansbros special agent in the Fresno area.

Mr. Gellatly has been working in the northern part of the Sacramento Valley since 1947. Mr. Ansbros, who received his training in the Pacific department at San Francisco, will assist State Agent Sheahan in his new assignment.

### Prouty in Cal. Field Post

Warren G. Prouty has been named special agent in the northern Sacramento Valley for Royal-Liverpool. He takes over the territory formerly covered by J. B. Gellatly, who was recently transferred to Bakersfield, Calif.

George W. Matthews, supervisor of the training service department of Detroit Edison Co., was speaker at the April 4 meeting of Michigan Fire Underwriters Assn. and Michigan public relations committee.

Michigan Fire Prevention Assn. will inspect Gaylord on April 19.

Joseph Ralston of Home addressed Ohio Stock Fire Insurance Speakers Club at Columbus April 3 on "Let's Talk About Contractors' Equipment."

Seattle Blue Goose held a dinner meeting at Tacoma, with that city's members serving as hosts.

Oklahoma Fire Prevention Assn. will inspect Eufaula April 19.

Mrs. W. C. Brough has been elected president of Seattle Ladies of the Blue Goose. Mrs. W. J. Davies and Mrs. E. W. Parks are vice-presidents; Mrs. R. H. McDonald and Mrs. E. E. Collins, secretaries; Mrs. H. O. Price, treasurer.

## NEW YORK

### HEMISPHERIC LUNCHEON

Hemispheric Insurance Day will be observed by U.S. insurers at a luncheon May 15 at the Waldorf-Astoria Hotel, New York.

Recognition will be given to the good-will relationships built up with the insurance neighbors to the south since the first Hemispheric Insurance Conference at New York in 1946.

Domestic insurance companies in each of the American republics will observe the "day" with educational meetings, luncheons, and banquets, the chamber said.

Master of ceremonies will be John A. Diemand, president of North America, and delegate to the Hemispheric Insurance Conference.

Arrangements for the luncheon are in charge of a committee headed by Charles S. Ashley, Maryland Casualty. Other members are R. W. Cauchois, Johnson & Higgins; Reed M. Chambers, U. S. Aviation Underwriters; William E. McKell, New York Casualty; James A. McLain, Guardian Life; Arthur A. Quaranta, Marsh & McLennan; Samuel E. Thompson, General Reinsurance; Henry C. Thorn, North America; G. A. Buckingham, insurance section New York Board of Trade.

### A. I. U. IN OWN BUILDING

American International Underwriters Corp. has moved into its building at 102 Maiden Lane, New York, which it purchased in 1947. The 24-story building, with an entire block front on Pearl street, was erected in 1940.

American International Underwriters Corp. and American International Marine Agency occupy four floors and parts of four other floors. The remaining floors are rented.

Mrs. David Edgar has been elected president of Insurance Women of Pittsburgh. Vice-president is Miss Margaret A. Scanlon; secretaries, Miss Agnes Moeller and Miss Phyllis Gove; treasurer, Miss Betty Reeves.



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## EDITORIAL COMMENT

### Working with School Boards

Insurance salesmen should keep in touch with school boards and find when their budgets are made up for the succeeding year. Therefore, if they have any suggestions to make to the directors as to any line of insurance or an increase in an insurance class, the matter should be brought up at that time because it is then opportune. For instance, one agent has made quite a feature of selling boiler insurance to owners or lessees of buildings having low pressure heating boilers. While some may regard these as not possessing much of an explosion hazard, yet with it all there are sufficient incidents to show that insurance should be carried, if for nothing else than to get the boiler inspection and information on all heating equipment and pressure

tanks. This should be gotten out in a way that is readily understandable and concrete. There are usually one or two members of the board who are leaders and who exert considerable influence. Therefore it is well to make a special play on them.

It should be brought to the attention of the members that they have the responsibility of the care of hundreds of children. They cannot escape this. Therefore it is up to them to make the physical part of the school just as perfect as possible. It is worth much to get the boiler inspections. Furthermore, in case of an accident, parents might attempt to hold board members personally liable. It is well to get some examples of boiler losses, and unfortunately they are convincingly abundant.

### Dropping "Insurance" from SS Would Help

The recommendation of President Judd C. Benson of National Assn. of Life Underwriters that the word "insurance" be eliminated from the social security act would, if followed out, have the good result of keeping the regular insurance business from being associated in the public mind with troubles that may beset social security. However, even more important would be the effect of taking the steam out of demands for types of benefits that do not belong in any government program. Chief of these, of course, is the provision in H. R. 6000 for a lump sum death benefit payable to the decedent's estate even though there were no next of kin to receive the benefit.

Undoubtedly the "insurance" concept as applied to social security is responsible for such demands. If the tax is regarded as a "premium" it is somewhat logical to contend that a benefit should be paid.

If the insurance concept could be eliminated the foolishness of paying a benefit when there are no dependents would become apparent. If a school tax were called "tuition" those without children would probably feel quite differently about paying it. Similarly, a social security tax without the insurance angle would come to be regarded as a tax that might or might not result in benefits being paid.

It seems likely that social security may depart a good bit from the subsistence level minimums that it was designed to take care of. But for the government to pour money into a decedent's estate is a silly perversion of the insurance principle. Social security is designed to take care of people, not estates. Elimination of the word "insurance" from the law should be a big step in keeping social security in its proper channel and out of what is legitimately the domain of private insurance.

## PERSONAL SIDE OF THE BUSINESS

E. P. Gallagher, vice-president and general counsel of American States, has been enjoying a vacation at Miami Beach. Another insurance man in those parts was Mortimer D. Pier, vice-president of Excess of America.

J. R. Barry, president, and R. R. Wilde, vice-president of Corroon & Reynolds, have been visiting in Florida.

E. A. Meyers of the Chicago law firm of Ekern, Meyers & Matthias was vacationing at Del Ray Beach and couldn't resist the lure of a commissioners' gathering so he and Mrs. Meyers went to Miami Beach last week for the zone 3

N.A.I.C. meeting and preliminaries. Russell Matthias of the same firm, who is recuperating from a siege of illness, had been at Winter Park, Fla., and he, too, went to Miami Beach for this meeting, with Mrs. Matthias.

Cameron Brown, vice-president of George F. Brown & Sons, Chicago, Mrs. Brown, and Albert N. Butler, Jr., vice-president of the concern at New York, are in London on a month's business trip.

Donald R. McLennan, Jr., vice-president of Marsh & McLennan, was missing from the nominees for board of

directors of Montgomery Ward & Co. in the proxy statement that was mailed to stockholders. Mr. McLennan was elected to the board in 1941 to succeed his father. According to the Chicago Tribune "an uneasy relationship is reported to have existed for some time between McLennan, the youngest member of the board, and Sewell L. Avery, the company's 76 year old chairman."

It is understood that just recently most of the Montgomery Ward insurance line throughout the country was captured by the Associated Factory Mutuals.

Robert Early, special agent for St. Paul F. & M. in western Nebraska, who was seriously hurt when hit by a Burlington train a few weeks ago, is reported recovering in an Omaha hospital.

James M. Barkdull of the Barkdull & Guckenberger agency of Cincinnati was chosen to represent the state of Ohio by passengers aboard the SS Nieuw Amsterdam on a cruise around South America. Mr. Barkdull in this capacity delivered a speech on the beauties of the Buckeye state.

Norman Freeman, assistant vice-president of Rollins Burdick Hunter Co. of Chicago, is chairman of the insurance group of the Illinois division of American Cancer Society's 1950 fund-raising drive.

J. S. Sheppard, manager of Phoenix of London at San Francisco, was feted at a luncheon in honor of his 25th anniversary with the company. Host at the party honoring Mr. Sheppard was H. Lloyd Jones, deputy U. S. manager. About 25 were on hand to greet Mr. Sheppard, including department heads and members of the 25-year club.

Insurance Accounting & Statistical Assn. announces that the following companies have become members: American Fidelity of Vermont, Craftsman, Tennessee Farmers, Universal Underwriters, Western Mutual and Audubon of Baton Rouge.

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Aetna Fire	2.20*	62 64
Aetna Life	2.50	60 62
American Alliance	1.20*	25 27
American Auto	2.00	52 55
American Casualty	.80	17 18
American (N. J.)	.90	21 22
American Surety	2.50	61 1/2 63 1/2
Boston	2.40	60 62
Camden Fire	1.15*	23 24
Continental Casualty	2.50*	69 71
Fire Association	2.50	67 68 1/2
Fireman's Fund	2.60	90 92
Firemen's (N. J.)	.60	22 23
Glens Falls	2.20*	52 54
Globe & Republic	.60	13 1/4 14 1/4
Great Amer. Fire	1.30*	30 31 1/2
Hanover Fire	1.60	34 35 1/2
Hartford Fire	3.00	119 122 1/2
Home (N. Y.)	1.60	36 37
Ins. Co. of North Am.	3.50*	105 107
Maryland Casualty	.75	19 1/2 20 1/2
Mass. Bonding	1.60	31 32 1/2
National Casualty	1.50*	31 33
National Fire	2.50*	63 65
Natl. Union Fire	1.40	37 1/2 39
New Amsterdam Cas.	1.30	40 1/2 42
New Hampshire	2.00	45 1/2 47
North River	1.20	26 1/2 28
Ohio Casualty	1.20	55 57
Phoenix, Conn.	3.00*	80 82
Preferred Acc.		4 1/2 5 1/2
Prov. Wash.	1.40	33 34 1/2
St. Paul F. & M.	2.60	99 102
Security, Conn.	1.60	36 37 1/2
Springfield F. & M.	2.00	45 1/2 47
Standard Accident	1.60	38 40
Travelers	12.00	462 472
U. S. F. & G.	2.00	54 55 1/2
U. S. Fire	2.00	68 69

\*Includes extras.

### Discuss Output Policy

The rating deputies of zone 3 of N.A.I.C. at one of their meetings at Miami Beach, it is understood, engaged in considerable discussion of Aetna Fire's manufacturers output policy and the question of the uniform definition of marine writing powers. Several of the deputies favored asking N.A.I.C. to conduct an investigation of the present status of the definition, how it is administered, etc. There seemed to be no sentiment adverse to the Aetna policy.



"NO! - I'LL BE THE CROOKS AND YOU BE BRINKS!"

## THE NATIONAL UNDERWRITER

PUBLISHED EVERY THURSDAY

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## DEATHS

**GUSTAVE W. MURBACH**, who had just recently been named assistant manager of the Chicago branch of Continental Casualty, died Tuesday evening at St. Agnes hospital, Fond du Lac, Wis., as a result of injuries suffered the previous Friday when his car slid off the highway and crashed into a pole. Mrs. Murbach, who was with him, was not seriously injured. They were on their way to Ripon College near Fond du Lac to get their son, Roger, who is a student there and return to Chicago for his semester holiday. Another son, Donald Murbach is with National Fire at Chicago.



G. W. Murbach

Mr. Murbach was 59. He was a veteran in agency work and was highly regarded. In his earlier days he was with Employers Liability. He had been superintendent of National Casualty in the Chicago branch more than 20 years before becoming assistant manager of Continental Casualty.

**DAVID C. BEEBE**, chairman of United States Aviation Underwriters, died of a heart attack at his home in Englewood, N. J.

Mr. Beebe was a pioneer in aviation insurance and with Reed M. Chambers, was a founder of U. S. Aviation in 1928. He served as president of the group in its early years.

Mr. Beebe left Yale university in his sophomore year to enlist in the Canadian air force during the first war. He subsequently transferred to the U. S. Air Forces.

His early experience in insurance was gained in the marine department of Marsh & McLennan. Mr. Beebe was deeply interested in insurance and devoted much of his spare time in promoting its welfare. He served as board member and vice-president of Insurance Society of New York, and at the time of his death was chairman of a commemorative funds committee which was actively engaged in raising funds for the Insurance Society.

**W. E. A. BULKELEY**, 82, retired executive of Aetna Life, died at Hartford after a long illness. He joined Aetna Life in 1890, following the family tradition. His father had been an auditor for many years. His grandfather, Eliphalet A. Bulkeley, was the founder of the company.

Mr. Bulkeley first worked in the bond and mortgage department. Transferred to the cashier's division, he was soon made cashier. In 1903 he was elected auditor of Aetna Life and later of Aetna Casualty, Automobile and Standard Fire in 1929. He became vice-president of Aetna Life in 1923. He was a trustee of Trinity College, of which he was an alumnus.

**ARCHIBALD KELLOCK**, secretary-treasurer of Pennsylvania Lumbermens Mutual, died after a long illness. He was a veteran with the company. He was also treasurer of Eastern Adjustment Bureau, Inc.

**FREDERICK E. PAUSCH**, chief claim attorney of Maryland Casualty, died March 29 after a brief illness.

Mr. Pausch joined Maryland in 1912 as a policy checker in the boiler and machinery department. In addition to his work, Mr. Pausch attended night school and obtained a law degree from the University of Maryland in 1915. After a short tour as a special agent, he joined the claim division. He was appointed chief claim attorney in 1948.

**CHARLES ROW**, 79, former owner of a Lansing agency and a veteran field man, died at Montague, Mich., where he had lived for a number of years. He was a son of Samuel Row, Michigan's

first insurance commissioner, who later was a field man and founded one of Lansing's oldest agencies. Mr. Row's health had been failing rapidly and he recently lost his sight.

Mr. Row became special agent for National Fire in 1890 and state agent in 1909. He retired from active business in 1919. He had bought the Row-Ackerman agency at Lansing, founded by his father in 1886, and he sold it in 1919 to Clyde B. Smith, former president of the National Assn. of Insurance Agents, who is still associated with the organization.

A brother, Frank, is a member of the Grinnell-Row agency, Grand Rapids, and a nephew, F. Damon Row, also of Grand Rapids, is state agent for Springfield Fire & Marine.

The body of **ARCHIE MACKAY**, 50, local agent at Evanston, Ill., who was assumed drowned last November when he was reported missing from his yacht, was found on the shore of Lake Macatawa at Holland, Mich.

**WALTER W. KENWARD** of Boston, special agent for Phoenix of London, died at the age of 49. He had been with Phoenix since 1915.

**FERDINAND PHINIZY** of the Phinzy & Co. local agency at Augusta, Ga., died of a heart attack. He had just returned from a tour of the Georgia Railroad with other railroad officials. He was a former president of Richmond county board of education.

**B. A. GILBERT**, 62, special agent for the Quirk & Co. general agency of San Antonio, died there. He had been in insurance work about 30 years. He was special agent for Hines Brothers for 15 years or more and had been with Quirk & Co. for 12 years.

**JOE M. LOWERY**, 82, Bonham, Tex., died there. He was senior member of the Lowery & Swann agency, which he established in 1892.

**EDWARD T. LIEBERT**, an underwriter for Aetna Fire for 23 years, died at his West Hartford home. He had been in the insurance business 53 years, formerly with North America.

**JULIAN FRANKE**, 78, Fort Wayne, Ind., local agency, died from a cerebral hemorrhage after a week's illness. He was active in business and politics in Fort Wayne for 62 years. His son, William J. Franke, was associated with him in the agency.

**JOHN T. KERN**, 55, a partner in the Jewett, Barton Leavy & Kern agency, Portland, Ore., since 1930, died there.

### Plan Special Train for Quebec N.A.I.C. Meeting

Arrangements for a special train to carry delegates to the annual meeting of National Assn. of Insurance Commissioners at Quebec June 12-16 have been made by a committee consisting of W. Lee Shield of American Life Convention and John P. Hanna of H. & A. Conference.

The train will leave Chicago from the Dearborn station at 9 a. m. June 11 via the Grand Trunk Railway, arriving at Quebec before noon on Monday, June 12. This will get the delegates to Quebec several hours in advance of the executive committee meeting scheduled for the afternoon of June 12. It is understood that no meetings will be held on Sunday. Stops will be made at Lansing and Port Huron, Mich., and Toronto, Canada, and delegates may board the train at any of these points.

On the return trip, two special movements are being considered. For those who do not plan to take the Saguenay cruise, several cars will leave Quebec at 5:15 p. m. Friday, June 16, arriving in Chicago on June 17. Those who take the cruise can board a train at Montreal at 3:30 p. m. June 19 and arrive in Chicago the morning of June 20.

The cruise down the St. Lawrence and up the Saguenay rivers, which will follow the business sessions, is proving a popular entertainment item. All commissioners and their wives have been invited by Onesime Gagnon, Quebec commissioner, to be guests of the province on the cruise. Already 31 deputy commissioners and other department officials from 14 states have made reservations.

**E. W. Hillman**, Federal Glass Co., director of National Assn. of Credit Men, addressed Mutual Insurance Club

of Columbus April 3 on "Affinity of Credit and Insurance."

### Set Cal. Probe Hearings

**LOS ANGELES**—Chairman Ernest R. Geddes of the assembly interim committee on finance and insurance, which is to investigate the insurance business and report back to the 1951 legislature, has announced that his committee will hold hearings at Stockton April 10-11, San Diego April 17-18, Chico April 24-25, San Francisco May 22 and Los Angeles May 15-16.

### Files Cal. Proceeding

Alexander J. Kelso, in his capacity as a California broker, has filed proceedings in connection with a dispute with Republic Indemnity of Arizona on matters of accounting. Mr. Kelso's headquarters are at Chicago, but this proceeding relates to the California situation only.

### Women's Regional Rally

The convention of region 5 of National Assn. of Insurance Women was held at Sioux Falls, S. D. The main event was a banquet attended by field men and local agents, the entire group numbering 210. Dr. A. M. Hintz of First Baptist Church was the speaker. Gerry Ahern was toastmaster and Tony Javarek was master of ceremonies at the floor show. Gladys Main of Seattle, national president, was on hand. At the opening luncheon session Ellen Swenson, director of region 5, presided and the welcome was by Mary Carey, president of Sioux Falls association. On Sunday morning there was a radio quiz program and a second business session. The 1951 convention will be at Madison, Wis., and Maida M. Dunn of Madison was elected as regional director.

### Broderick Rehearing Denied

Judge Maher of Wayne county (Detroit) circuit court has denied a motion for rehearing in the action which resulted recently in affirming Commissioner Forbes' order that the Dearborn National companies correct their investment folios.

The defendant companies will have 20 days after entry of the order for filing notice of a request for leave to appeal to the Michigan supreme court.

### Keys to Oppose Dickey

Mott M. Keys, who has had 25 years experience in insurance, has filed as candidate on the Democratic ticket for insurance commissioner in the coming primary. He was for eight years manager of the rating department and actuary of the state insurance board, commissioner of the state compensation fund and later secretary-manager of the Oklahoma Assn. of Insurance Agents. Commissioner Dickey has already announced his candidacy for reelection.

### Northern Assurance Rally

Northern Assurance is holding a week-long meeting of field men, except those from the west coast, at New York.

### Olsen, Stroube Part Company

The partnership of the Chicago adjusting firm of Olsen & Stroube is being dissolved on April 15. W. A. Olsen and Roy Stroube will operate independently of one another. For a time, they will conduct their business from their present quarters at 330 South Wells.

### Herndon at Cincinnati

M. G. Herndon, Washington representative of National Assn. of Insurance Agents, will speak at the luncheon meeting of Cincinnati Fire Underwriters Assn. April 13.

### Cochran Reinsurance Corp. V.-P.

Reinsurance Corp. of New York has

elected William W. Cochran a vice-president. He started with American in 1938. In 1943, after service, he returned to American and became assistant Secretary with general supervision of agencies in New York, Pennsylvania and Maryland.

### Conn. Hearing Postponed

The Connecticut department hearing on installment payment of term fire premium that was set for April 10 has been postponed indefinitely. The Massachusetts hearing is scheduled for April 12-13.

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## Commissioners' Powers Vis-a-Vis FTC Examined

Henry Moser of Chicago, general counsel of Allstate and a prominent factor in all-industry deliberations, was invited to give a talk at the Zone 3 N.A.I.C. meeting at Miami Beach on federal trade commission and mail order insurance problems. He said that the subject at present is tenuous because of the pendency of the Travelers Health case from Virginia. Just a few days before Mr. Moser spoke, the U. S. Supreme Court had set this case for re-argument April 17. It involves many questions of fundamental importance.

If the Virginia statute regulating non-admitted insurers is upheld by the U. S. Supreme Court, Mr. Moser said then there must be a review of the statute that was once suggested for getting jurisdiction over unlicensed companies through their advertising operations, the same as such jurisdiction is gotten under the N.A.I.C. bill through their claim operations.

### Praises N.A.I.C. Stand

Mr. Moser said that the insurance commissioners through their liaison committee headed by Larson of Florida, performed a great service by taking the forthright, deliberate decision that they did take before FTC in opposing FTC's rule in the auto finance business that would have given FTC direct supervision over insurance companies. This statement, Mr. Moser said, should go a long way to keep FTC out of where it should not tread.

As to the mail order rules of FTC, he said the insurance commissioners hold the answer. They can make the effect of such rules whatever they want them to be.

If N.A.I.C. and the all-industry committee are correct in their belief that FTC is ousted of jurisdiction by state laws that are counterparts of federal legislation and since the FTC rules deal mainly with advertising there are three types of state statutes that may bar FTC. These are laws dealing with false and misleading advertising, misrepresentation of policy terms and unfair trade practices act. He emphasized the importance of providing that the domiciliary state of an insurer should have

authority to reach the home company in its advertising anywhere that it operates. He emphasized the importance of closing any gap or crevice that constitutes a twilight zone.

The question arises as to the position of a state that has all of the three recommended statutes but is unable to reach an unlicensed company because the domiciliary state of the latter does not have the type of law under which the domiciliary state can regulate its own company's advertising anywhere in the country. This is a twilight zone and it was here that Mr. Moser suggested that the upholding of the Virginia statute might provide the answer.

Lack of fair trade practices acts is an invitation to dual supervision. If the commissioners would obviate dual supervision they should get behind such legislation. It would be absolute assurance that FTC rules would not be operative if all states enact fair trade practices laws and if the domiciliary commissioner is given full power over home state companies.

Mr. Moser referred to the Kline report of the New York department which consisted of an exhaustive study of the mail order insurance problem. This should not remain in the libraries, he said. It should be gone over again when the Supreme Court hands down its decision in the Virginia case.

Originally, he said, the FTC rules were to apply only to the extent that the business was not regulated by state law. That restriction was lost in the shuffle. "You can guess why," he said.

The courts will give the final answer on the question of whether FTC can step in if FTC thinks there is "inadequate" state supervision.

or used by the insured, or a permanent member of the household or owned by a resident-employee thereof. Also the same limitation is imposed as to ownership when theft away from the premises is involved or when the premises are rented to another. If a limitation as to ownership were intended as to the coverage first above mentioned, the court said, it could easily and would have undoubtedly been inserted just as it was touching subsequent coverages.

### Notes Claim Procedure

The court also noted the requirement that upon the company's request "the insured and every claimant hereunder shall submit to the examination by the company. . ." This would seem to contemplate, according to the court, other persons than the payers of the premium would make claim for loss suffered by them.

The Wilsons cannot be regarded as bailees of the ring. It was not entrusted to either of them. Hence the provision in the policy that coverage shall not inure to the benefit of bailees is not applicable.

The court also emphasized that Mrs. Wilson had testified that the only reason that she took the policy was that the agent stated that this would protect the guests. Also she testified that the loss adjuster told her that she could "have a party, lose a lot of fur coats and the next day the company would be very glad to pay for them."

There was some discussion of whether  
(CONTINUED ON PAGE 30)

## Credit Life and Disability Questions Get Attention

### Kirk A. Landon Briefs Zone 3 Commissioners on Developments in Line

The zone 3 commissioners of N.A.I.C. at Miami Beach devoted a period at their meeting to consideration of credit life and disability insurance. The main witness was Kirk A. Landon, who is head of American Bankers Ins. Co. of Miami, also Kirk A. Landon & Associates operating Retrospective Insurance Underwriters, Credit Insurance Underwriters and National Insurance Agency. Among other things, Mr. Landon represents Union Mutual Life of Portland, Me., for credit life and disability lines. In addition to American Bankers, he also represents Resolute Fire for automobile finance business.

Mr. Landon said there are some practices in the credit life field that need correction. The business is growing and serves a good purpose. For instance, it enables certain people, mainly oldsters, to get credit who would otherwise not be able to borrow. It has been a stabilizing influence in states that do not have laws regulating small loan companies. In such states "hip pocket" loans are made. However, responsible lenders found that by joining the sale of insurance with granting of loans, they could operate successfully. In non-regulated states, the rate to the borrower, taking into account the loan and the insurance, is no greater than the straight loan rate in regulated states.

### Level Life Popular

The level life policy has gained in popularity in this connection. This gives the borrower's estate a return in event of his death as well as protecting the lender.

There arises the question of licensing of representatives. He commended the Florida law under which credit life insurance solicitors may be licensed without examination but are limited to dealing only in the credit line. Legitimate agents, he said, properly object to unrestricted licensing of such representatives. Commissioner Allyn of Connecticut asked whether disability insurance is involved and Mr. Landon replied that it is, and that it is a growing line.

Superintendent Gwaltney of Alabama inquired as to the average length of the risk. In automobile, Mr. Landon replied, the average is 18 months, furniture 15 months, appliances 8 to 10 months, small loans, 3 to 4 months.

In answer to another question, he said that for the level life contract, the premium is 2% of the amount of the policy for one year. Minimum premium is \$1 and on reducing life policies, it is 50 cents.

Commissioner White of Mississippi said there have been complaints that the lenders have been packing the charges.

Mr. Landon said that such complaints probably are justified. He said the credit life people have an unofficial conference and assist in eradicating abuses.

Commissioner Allen of Tennessee asked what happens if the borrower pays off his loan in advance. Mr. Landon said that under a reducing life insurance contract he should receive a pro rata refund of the premium, but a level contract goes to normal expiration and the borrower has the coverage.

Mr. Landon said that many banks buy  
(CONTINUED ON PAGE 30)

## Agent Licensing Legislation Debated By Zone 3 Group

### E. A. Meyers Proposes Learning While Working Arrangement

Much interest was taken at the meeting of the zone 3 commissioners of N.A.I.C. at Miami Beach in questions relating to agent licensing legislation. Commissioner Cravey of Georgia remarked that the uniform licensing law was enacted in his state to go into effect in 1951.

There was considerable discussion of the Florida law which is well regarded.

J. W. Roach of Missouri expressed particular interest in the interim license question. Mr. Larson said that Florida insists that a man with a temporary license submit to examination before that license expires. This works satisfactorily in the life insurance field but he said that this temporary licensing has not been satisfactory in fire and casualty.

E. G. Hitt of Associated Mutuals, Atlanta, said a provision barring commingling of funds such as is found in the New York law, should be in every state.

### Has Tongue in Cheek

E. A. Meyers of the Chicago law firm of Ekern, Meyers & Matthias said that the purpose of the qualification and examination laws is to raise the standard of the agent. "I can't take it all except with my tongue in my cheek," he said. The laws were designed mainly for the benefit of the public but many of the agents think that the main purpose of such laws is to create a closed shop. It is necessary for an agent to be licensed so that the state can control him and so that the question of his agency for his company can be established.

A better plan, Mr. Meyers argued, is to have a cursory examination at the outset. The novice should know something about the insurance laws but he should not be subjected to a searching examination. To put him to such a test would be comparable to giving an extensive examination in medicine to men desiring to enter into the study of medicine. It is quite a burden for a newcomer to prepare for an advanced type of examination and it is particularly burdensome in rural communities where he insisted it is essential to have part-time agents. In Pennsylvania, for instance, thousands of dollars have to be spent in training men for the examinations. In the "sticks" this is hard to handle and particularly expensive.

### Suggests Temporary License

He suggested that in the smaller communities there could be a temporary license for a new man who would work under the supervision of a licensed agent. He could learn by practice and then in six months he could be subjected to a real examination. This would give the insurer more control over the new man. He asked why a lot of men should be examined rather thoroughly when a great many of them will drop by the wayside because they are not salesmen. There is no better way to learn than by practice and theory at the same time.

He said his companies, which are  
(CONTINUED ON PAGE 30)

## Mysterious Disappearance of Guest's Ring Covered, Wyo. Supreme Court Says

The Wyoming supreme court has affirmed a lower court decision against Hawkeye Casualty for a claim under a residence and outside theft policy for alleged loss through mysterious disappearance of a ring belonging to a woman who claimed to be a temporary guest in the residence of the insured, the case being Wilson vs. Hawkeye Casualty. The insured was Charles M. Wilson and his policy giving \$1,000 coverage was secured through Hugh H. Doergerty, local agent.

Mrs. Wilson testified that Doergerty sold them the policy because he said it would protect all their guests. Rose Johnstone was the owner of the ring which she said was worth \$1,600. She testified she was an intimate friend of the Wilsons and had been living with them several weeks before going to Mayo Clinic in 1947. She returned about six weeks later and upon her return to the Wilson residence discovered that the ring was missing from the place where it had been secreted. She left the ring with a sister of Mrs. Wilson who secreted it and the hiding place was known only to her and to Mrs. Wilson's mother.

The court noted that under the insuring agreements loss "occurring in any part of the premises not occupied exclusively by the insured's household" is definitely limited to property owned

## St. Paul-Mercury Develops Fire Liability Cover

### Public Liability Policy Endorsement Approved in Nineteen States

Considerable interest has been shown in the new policy endorsement of St. Paul-Mercury Indemnity which covers liability for fire and explosion loss to property in the care, custody and control of the insured.

It is believed that the St. Paul endorsement is the first form written by an American company specifically to cover this hazard, which has been a hot issue in the underwriting field for two years.

The St. Paul policy is written for a

specific limit of liability on each location used, occupied or rented to the insured, and pays expenses incurred in defense, settlement, and supplementary payments in addition to the applicable limit of liability.

The policy excludes:

(a) Any personal property of others.  
(b) Any property, real or personal, owned by the insured or in which the insured has a financial interest.

(c) Any property, real or personal of any subsidiary or affiliated company, or any employee of the insured.

(d) Liability assumed by the insured under an agreement, oral or written.

(e) Interruption of business, loss of rents or profits, or any other indirect loss.

(f) Loss by explosion, rupture or bursting of steam boilers, steam pipes, steam turbines, steam engines, fly wheels, owned, operated or controlled by the insured or located in the building (s) described.

Each risk is rated by taking a base rate composed of a "negligence factor" plus a fire loading, and the base rate is then modified to reflect characteristics of the risk. Every risk is inspected to see that all codes and ordinances are being complied with.

The endorsement can be attached to a liability and property damage li-

## Actuaries Give A. & H. Catastrophe Hazard Thorough Going Over at New York Meet

The A. & H. catastrophe hazard, both for the individual unlucky enough to suffer a prolonged illness and for the company hit by epidemic or disaster claims, got considerable attention at the New York City spring meeting of the Society of Actuaries.

Opening the discussion on various phases of sickness insurance, Harold E. Dow, assistant actuary Prudential, said that while there had been increases in the scope of group A. & H. coverage, not enough has yet been done to take care of the financial drain arising by reason of truly catastrophic illness. One reason for not making greater progress is the lack of well established standards of payments to physicians, especially in the case of catastrophic losses. He pointed to the possibilities of a deductible coverage, with the first \$200 or \$300 of expense borne by the patient,

ability policy.

The endorsement and policies have thus far been approved in Ark., Cal., Conn., Del., Ind., Ia., Md., Minn., Mo., Neb., N. H., N. Mex., N. Dak., S. Dak., Tenn., Va., Wis., and Wyo.

or the underwriting of a proportion of the total medical cost as fields to be considered, emphasizing that lack of suitable coverage for catastrophic illness could become a vulnerable spot in the private insurance program.

J. Henry Smith, associate actuary Equitable Society, explained the progress being made toward a solution of the standardization of medical charges on the lower income groups by the Health Insurance Council which is composed of representatives of the various insurance trade associations. So far, surgical schedules have been given the greatest attention but further efforts are in progress. He reported that a meeting of the council of the American Medical Assn. and a group representing various segments of the voluntary insurance business is to be held within a month or two in Chicago to consider the mutual problems of the medical profession and private insurance carriers.

Marcus Gunn, vice-president and actuary California-Western States Life, described his company's experiments in writing sickness expense insurance with high limits, up to as much as \$1,000 for hospital benefits, which he considered were producing satisfactory results. He thought the California unemployment compensation disability plan was, so far, functioning reasonably satisfactorily. One main need is for adjustments in the law to make fair allowances for premium taxes of the carriers.

He was hopeful that, if voluntary plans cover a large part of those eligible within a year or two, the legislature would make needed adjustments. When premiums are expressed as percentages of payrolls, they are subject to prompt reduction when payrolls decrease, but the benefits do not immediately decrease as pay decreases nor stop immediately upon lay-off. Consequently Mr. Gunn thought special reserves for this factor, as well as for epidemics, etc., even more important for group A. & H. than for group life insurance.

### Tells Railroad Program

Abraham M. Niessen of the railroad retirement board briefly described salient features of the sickness insurance program administered by the board and presented statistics on the operation of the program.

Reinhard A. Hohaus, actuary Metropolitan Life, outlined briefly the progress being made under the New York disability benefits law in reaching mutual understanding between the workmen's compensation board and insurance carriers through the work of a special liaison committee.

John J. Marcus of Prudential discussed some of the complications arising from the use of social security tax returns as a basis for premium billing and pointed out that premiums can drop sharply while benefits remain at a high level, thus requiring suitable reserves.

Edward A. Green, John Hancock; Stanley W. Gingery, Prudential, and L. S. Wagenseller, Metropolitan Life, all discussed, and urged the necessity for, special reserves for group A. & H. Because of epidemics, changes in economic conditions and other factors, group A. & H. insurance benefits are subject to wide fluctuations and the need for contingency reserves is as great, if not greater, than for group life insurance. Mr. Gingery emphasized that even higher reserves to include contingencies such as the Texas City disaster might be appropriate for group accidental death and dismemberment benefits.

Herbert S. Stark, associate actuary Metropolitan Life, discussed the two assessments provided under the New York disability benefits law. The first presents few problems, covering administrative expenses incurred by the workmen's compensation board. However, the second, allowance for disability pay-

(CONTINUED ON PAGE 37)

## New "Catastrophic" Hospital Extras Coverage

(Issued with Preparedness Hospital-Surgical Policy)

**Pays 100% of the FIRST \$100.00**

**plus 75% of the NEXT \$1000.00!**

—Here's how it works:—

If the bill for <b>EXTRAS</b> is . . . . .	<b>Provident PAYS</b>
<b>\$100.00 (or less)</b> . . . . .	<b>ALL</b>
<b>200.00</b> . . . . .	<b>\$175.00</b>
<b>300.00</b> . . . . .	<b>250.00</b>
<b>800.00</b> . . . . .	<b>625.00</b>
<b>1100.00</b> . . . . .	<b>850.00</b>

Instead of the usual allowance of less than \$100, Provident Producers can now offer their prospects real protection against "catastrophic bills" for special hospital services (i.e., other than room and board). Written on individuals and family groups.

**INVESTIGATE TODAY!**

**BROKERAGE BUSINESS INVITED**

**PROVIDENT LIFE & ACCIDENT INSURANCE COMPANY**

**CHATTANOOGA**



*protecting provident people since 1887*



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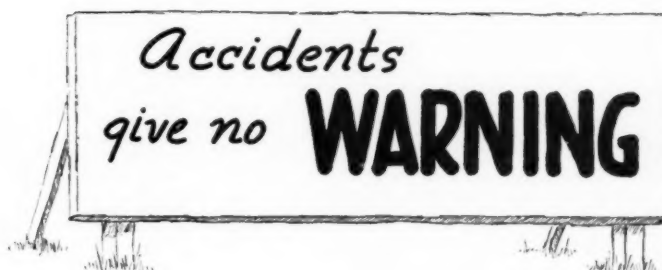
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37)



There's no way of knowing who or where accidents will strike. No one knows when catastrophe is headed his way.

One thing you do know — one out of ten of your clients and prospects will be accidentally injured during 1950.

Who is going to pay the bills which follow these accidents?

Will your client or prospect pay them and then wonder why you didn't put more emphasis on the importance of Accident insurance protection for him?

Or will Accident insurance — the Modern Accident policy with The Travelers — be right there to assume the medical and hospital expenses and provide the all-important income?

A number of persons you know are going to have accidents. They'll be grateful to you if they are protected by a *Travelers Modern Accident Policy*.



**THE TRAVELERS INSURANCE COMPANY**  
HARTFORD, CONNECTICUT

# Premiums Written and Losses Paid on MICHIGAN Casualty Business in 1949

	Total Premiums and Losses	Auto. Liab. Premiums and Losses	Other Liab. Premiums and Losses	Work. Comp. Premiums and Losses	Fidel. Premiums and Losses	Surety Premiums and Losses	Plate Glass Premiums and Losses	Burg. Theft Premiums and Losses	P. D. & Coll. Premiums and Losses		Total Premiums and Losses	Auto. Liab. Premiums and Losses	Other Liab. Premiums and Losses	Work. Comp. Premiums and Losses	Fidel. Premiums and Losses	Surety Premiums and Losses	Plate Glass Premiums and Losses	Burg. Theft Premiums and Losses	P. D. & Coll. Premiums and Losses
Acc. & Cas. ....	102,940	23,252	9,139	30,461	916	2,163	3,950	9,889	22,000		380,285	98,854	46,574	109,596	2,222	40	8,806	18,882	85,796
Aetna Cas. ....	33,458	2,690	2,023	33,153			2,329	4,156	9,405		70,632	18,013							42,860
Aetna Cas. ....	2,814,796	506,128	311,445	1,017,745	100,549	194,878	46,237	151,331	470,417		520,413	153,014	55,448	111,520	12,889	8,921	20,879	38,461	112,531
Allstate ....	1,851,402	678,060	53,748	544,062	32,373	6,294	18,861	39,156	832,323		289,817	108,393	14,806	78,872		1,154	9,576	325,781	54,371
Am. Auto. ....	2,337,462	980,147	157,103	238,110	12,053	11,465	21,187	91,278	830,612		32,015							93,015	
Am. Cas. ....	949,129	365,984	20,858	108,550	6,902	16,191	29,418	401,226			4,569				1,284	3,284			
Am. Empl. ....	542,617	146,790	36,256	91,640	3,430	10,097	10,313	26,281	123,628		13,258	5,527	1,696	1,798			1,418	2,150	608
Am. F. & C. ....	194,726	50,136	3,317	24,193	840	21	4,308	7,635	45,215		2,206						1,785	293	10
Am. G. & L. ....	465,309	89,139	40,856	129,223	16,790	25,607	11,087	22,209	77,161		1,816,809	328,021	67,316	454,331			43,440	29,031	617,132
Am. Indem. ....	151,432	48,847	14,026	35,813	410	1,442	1,522	5,068	35,711		782,044	123,562	10,679	198,502			18,388	11,735	231,324
Am. Motorists ....	647,705	153,057	412						194,235		3,863,627	1,121,685	367,293	922,497	90,239	138,993	48,065	180,856	908,342
Am. Mut. Liab. ....	496,645	360,800							135,845		1,394,079	394,463	37,406	465,442	25,194	15,298	16,640	54,153	355,964
Am. Phdrs. ....	93,578	770	8,823	—1,867	26,741		83	14,727	6,810		286,670	74,660	6,754	17,767	187	1,383	4,309	4,330	141,293
Am. Reins. ....	74,121	15,879	9,157	7,187	3,259				149		87,511	22,595					518	1,388	45,098
Am. States ....	118,567	42,574	7,533	5,914	8,918	3,028	696	2,217	39,916		11,334	75,000							1,107
Am. Surety ....	81,224	13,168	46	41,625	9,495	208	48	1,118	13,609		15,170								
Anchor Cas. ....	1,165,393	102,257	—27,700	914,130	1,604	100	706	4,968	128,621		233,417	74,183	20,114	23,591	8,875	2,633	11,892	20,908	67,438
Assoc. Ind. ....	651,424	113,532	25,203	403,533	705		338	699	57,815		95,458	41,011	2,837	11,197	4,358		3,975	2,681	29,275
Atlantic Mut. ....	12,894	—21	1,388	2					75		330,495	14,610	223						23,201
Auto Owners ....	294,243	66,122	4,503	104,420	21,932	51,889	214	5,221	26,221		168,423	4,796							9,852
Bankers Ind. ....	44,580	1,643	804	8,416	13,783	14,263		1,358	4,023		87,031	17,286	5,951	62,167					1,626
Bitum. Cas. ....	2,379,510	655,312	47,765	91,838	2,317	3,635	16,634	37,832	1,186,888		32,087	14,110	1,263	14,839					1,876
Buck. Un. Cas. ....	602,071	152,447	3,130	35,651			6,087	6,011	314,124		1,372,029	285,960	237,107	278,810	27,679	37,919	33,250	101,647	277,652
Cadillac Mut. ....	854,778	191,063	47,539	97,296	117,117	61,062	16,903	51,231	156,383		530,317	117,587	9,089	192,435	3,425	77	12,182	25,805	120,181
Car & General ....	336,145	110,148	6,915	38,944	17,146	114	5,042	13,509	99,483		155,016	82,383							72,633
Cas. Ind. Ex. ....	976	391	122	152				62	346		55,785	41,263							14,522
Cas. Recip. Ex. ....	17,724										2,320								
Cent. Natl. ....	2,435	367	806	85				380	457		25,730								
Central Sur. ....	299			11					288		14,158								
Century Ind. ....	324,613		8,021	310,458				2,250	3,115		2,718,538	207,349	176,192	1,765,601	24,238		8,361	10,571	200,566
Cheek. M. An. ....	166,114		450	158,542				6,947			1,341,407	50,990	12,998	926,062	13,877		4,593	24,554	122,121
Citizens Cas. ....	249	121	24					30	74		705,165	264,314							342,583
Citizens M. An. ....	8,676,302	2,313,890	154,163	954,419			51,288	71,450	4,211,987		256,380	93,711							141,502
Columb. Cas. ....	3,171,239	761,666	17,716	380,869			21,252	28,026	1,652,654		212,541	50,800	27,805	32,861	1,779	10,633	8,658	21,302	47,711
Comm. Cas. ....	214,220	84,101	10,947	25,488	1,579		5,829	8,675	77,108		74,559	12,662	4,561	13,853	2,842		4,380	9,139	22,212
Conn. Ind. ....	17,516	26,824	1,652	14,873	1,506		2,142	424	37,343		185,682	25,258	17,492	64,981	1,272	75	3,655	16,932	24,349
Cos. Ind. Ex. ....	18,482		380	18,002					100		63,846	4,760	1,538	31,032	66		1,784	6,315	16,644
Cos. Recip. Ex. ....	207,491	97,826	6,407		829	512	2,219	6,804	79,662		32,217,652	361,228	95,337	785,998	20,808	7,066	36,031	42,458	585,013
Cent. Natl. ....	65,553	19,298	138						901		839,396	143,202	11,863	303,973	22,156	485	12,845	13,307	242,558
Century Ind. ....	105,327	40,860							57,209		330,500	32,228	42,821	9,483					183,397
Check. M. An. ....	31,678	6,008							22,626		181,130	20,196	13,243	47,239					88,386
Citizens Cas. ....	3,910	1,788	78	401	157		58	68	1,360		400,636	107,212	34,122	102,545	5,203	9,430	6,412	25,863	90,358
Citizens M. An. ....	12,947		11,093						15		129,758	32,944	2,719	47,599	490		2,088	9,888	33,067
Columb. Cas. ....	30,506	3,955	1,203	16,796					6,618		1,526,102	232,618	131,928	438,705	91,295	139,863	41,295	107,367	227,237
Comm. Cas. ....	30,487	5,603		11,560					2		799,668	236,210	39,451	216,322	56,624	12,122	19,954	37,560	119,630
Conn. Ind. ....	136,868	11,422							15		1,017,347	375,769	53,966	156,160	23,614	16,838	19,387	27,425	225,451
Consol. Ind. ....	39,697	3,652							2		436,716	149,154	20,410	89,211	2,949		11,174	6,515	111,524
Consol. Ind. ....	200,645	107,320	3,063	13,889	1,086	14,205	896	2,497	48,076		44,622						44,622		
Cont. Cas. ....	147,500	101,535	488	4,119	—466		276	287	39,328		19,613						19,613		
Dearb. Natl. ....	545,852	110,161	68,150	133,984	17,735	21,197	30,328	60,096	104,080		22,034	1,711							
Detroit A. Ex. ....	165,174	34,890	7,902	34,989	14,228		10,835	15,991	46,152		77,170	4,000							
Detroit M. An. ....	337,234	122,827							203,633		134,734	39,826	2,642						
Detroit M. An. ....	230,042	87,686							139,725		41,244	9,712	435						
Eagle Ind. ....	29,401	22,769	97						6,355		—28								
Eagle Ind. ....	5,465	493							4,972		879,925	9,572	7,240	15,926	2,092	2,792	1,826	7,068	9,821
Elec. M. Liab. ....	6,351,556	1,795,894	15,111				1,154	3,595,940			577,265	1,609	1,604	5,996	140	16	907	2,553	65,043
Emmeo Cas. ....	2,196,516	451,783	109						5,360		103,762	36,388	2,331						
Empl. Cas. Und. ....	300,899	136,842	9,706	47,201	4,205	4,031	2,410	6,768	78,724		35,141	8,028							
Empl. Liab. ....	189,675	69,441	3,129	41,828	232		1,012	3,226	53,121		35,141	8,028							
Empl. M. Cas. ....	160,652	41,346	5,326	305	1,665	1,313	3,677	4,653	35,592		24,323	16,855							
Excess ....	61,922	22,479	2,110	169	22	—909	1,699	857	12,375		214,076	41,499	11,029	31,261	23,679	15,988	9,355	34,976	46,283
Excess ....	105,435	44,111	5,436						40,816		994,131	156,985	147,295	289,250	56,667	34,714	30,213	100,990	170,993
Excess ....	44,140	20,761	1,077						19,210		421,596	68,143	22,506	173,318	4,426	14,221	12,101	45,045	80,501
Excess ....	142,639	5,506	4,006	115,173					14,769		26,990	53,055	19,839	42,699	22,809	4,787	9,138	16,149	45,945
Excess ....	57,921	262	8	51,682					5,360		97,932	26,621	1,569	17,745	1,707	—572	3,769	2,876	25,776
Excess ....	2,755,019	304,650	113,585	270,763	20,419	33,492	25,213	71,368	271,149		36,810	27,559	1,867				2,364	1,915	23,186
Excess ....	1,072,938	93,483	25,021	116,814	2,859	9,446	10,078	25,541	93,815		19,087	8,848					264	9	9,866
Excess ....	488,123	195,231																	



P. D. & Coll. Premiums and Losses	
2	85,796
1	42,860
1	29,266
4	112,531
1	54,371
5	.....
0	668
3	10
1	617,152
5	231,324
6	903,342
3	355,964
0	141,293
8	45,098
1	1,167
8	206
1	67,458
1	29,275
1	22,201
1	9,852
1	1,626
1	1,876
7	277,632
5	120,181
1	72,633
1	14,522
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1	290,566
4	122,121
1	342,585
1	141,502
2	47,711
9	22,212
2	24,349
6	16,644
8	585,013
7	242,558
1	183,337
1	88,366
5	99,358
8	33,067
7	227,256
0	119,637
5	225,451
5	111,524
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1	.....
0	68,112
3	34,226
1	455,728
1	172,617
2	3,711,584
6	1,585,890
1	429,186
1	141,736
1	120,432
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5	78,203
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8	9,821
3	2,810
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1	25,995
1	942
1	350
2	7,373
1	4,514
2	83,970
6	46,288
0	170,903
5	80,501
9	45,942
6	25,776
3	23,106
0	9,866
4	23,250
2	12,966
9	448,805
8	177,026
8	26,483
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7	75,069
2	46,633
8	28,702
3	13,148
1	448,907
1	171,943
1	50,798
1	28,890
3	325,212
6	177,092
7	295,964
2	133,991
9	3,832
5	157
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1	281
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3	221,413
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1	4,166
1	2,716
9	333,000
3	132,839
1	2,989,341
1	1,345,146



## In Advanced Coverage Forms AMERICAN-ASSOCIATED Leads

Have you investigated *American Automobile's* latest Comprehensive Automobile Policy? It is available in all states where permissible and is typical of the aggressive, independent leadership you can expect from American-Associated Insurance Companies. At no extra cost, it offers 11 important advantages not found in ordinary policies.

Give policyholders the most complete coverage for their insurance dollars. That's a sure way to hold present clients and interest new ones. American-Associated helps you with prompt, efficient service, modern rating methods and in many other ways to build your business. It pays to keep in close touch with your local American-Associated office.

AMERICAN AUTOMOBILE  
INSURANCE COMPANY  
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CORPORATION  
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**AMERICAN ASSOCIATED**  
**INSURANCE COMPANIES**

*Leaders in*

Advanced Coverage Forms  
Prompt, Efficient Service  
Modern Rating Methods

## 1949 Casualty Figures for Michigan

	Total Prelim. and Losses	Auto. Liab. Prelim. and Losses	Other Liab. Prelim. and Losses	Work. Comp. Prelim. and Losses	Fidel. Prelim. and Losses	Surety Prelim. and Losses	Plate Glass Prelim. and Losses	Burg. Theft Prelim. and Losses	P. D. & Coll. Prelim. and Losses
(CONTINUED FROM PAGE 28)									
Suburb. Cas. ....	—267	—126	—	—	—	—	—	—	—66
Summit F. & C. ....	24,748	6,897	—	—	—	—	—	—	3,731
Sun Indem. ....	467,529	137,789	34,293	102,164	6,632	16,891	31,761	37,780	108,806
Transit Cas. ....	14,654	7,464	—	—	—	—	—	—	1,830
Travelers Ind. ....	2,283,100	739,639	59,982	—	51,778	73,820	41,400	228,655	880,866
Travelers ....	895,057	279,780	5,983	—	6,837	4,332	17,923	67,921	432,225
Un. Natl. Ind. ....	19,759	6,461	1,105	2,496	590	2,545	385	651	5,615
United Pac. ....	3,948	—	—	—	—	—	—	—	—
U. S. Cas. ....	24,489	1,083	3,956	—373	1,935	4,985	—43	577	1,979
U. S. F. & G. ....	2,630,342	495,588	321,762	450,069	114,292	390,252	150,561	233,723	440,996
U. S. Guar. ....	167,955	17,414	11,671	549	43,937	67,192	13,175	13,759	18,759
Utica Mut. ....	3,528	771	516	1,479	—	—	—	—	—
Va. Surety ....	188,621	115,582	—	—	—	—	—	—	73,039
West Amer. ....	9,393	—	—	—	—	—	—	—	—
West. Co. & Sur. ....	897,179	277,004	77,999	103,770	5,204	35,476	60,162	53,846	266,316
West. Natl. ....	15	8	—	—	—	—	—	—	—

	Total Prelim. and Losses	Auto. Liab. Prelim. and Losses	Other Liab. Prelim. and Losses	Work. Comp. Prelim. and Losses	Fidel. Prelim. and Losses	Surety Prelim. and Losses	Plate Glass Prelim. and Losses	Burg. Theft Prelim. and Losses	P. D. & Coll. Prelim. and Losses
Western Sur. ....	42,459	—	—	—	—	15,178	29,281	—	—
Wolverine ....	2,923,171	881,895	78,271	—	—	1,003	1,388	—	—
Wolverine Mut. ....	382,032	229,433	4,909	—	—	—	—	—	—
Yorkshire ....	103,880	32,616	—	—	—	—	—	—	—
Zurich ....	169,444	53,185	13,145	18,252	1,512	5,123	9,307	19,888	49,032
	69,495	14,540	415	21,657	181	7	5,710	3,438	23,546
	3,231,316	778,501	228,382	742,473	—	—	55,993	151,507	612,363
	1,494,812	284,447	51,299	346,220	—	—	20,167	43,955	321,111

## Other Lines

	Net Prelim. and Losses	Paid Losses
Acc. & Cas. ....	1,158	—298
Aetna Casualty ....	1,441	150
Aetna Life ....	5,728,977	4,225,167
Allstate ....	198	—
American Auto ....	6	—
American Cas. ....	94,003	58,071
American Employers' ....	11,919	5,517
American Motorists' ....	5,883	1,769
American Mut. Liab. ....	49,721	49,579
American Policyholders. ....	11,424	12,751
American Reins. ....	3,688	289
American Surety ....	73	153
Anchor Casualty ....	—	17,261
Ann Arbor R. R. Empl. ....	7,823	5,846
Associated Indem. ....	769	175
Atlanta Life ....	87	31
Atlas Life ....	236	255

	Net Prelim. and Losses	Paid Losses
Bankers Indemnity ....	493	—
Bankers Life ....	212,479	142,730
Bankers Life & Cas. ....	2,901,176	1,710,170
Bankers National Life. ....	29	—
Beneficial Standard ....	256,305	107,493
Ben. Assn. Ry. Empl. ....	509,602	345,014
Buckeye Union Cas. ....	13,232	1,774
B. M. A. ....	153,512	98,332
Central Life, Ill. ....	37,374	19,242
Central Natl. Omaha. ....	422	—
Central Surety ....	37	—
Century Indemnity ....	2,821	186
Columbia Casualty ....	1,251	277
Columbian National ....	5,180	2,336
Columbus Mutual ....	6,561	3,226
Combined, Ill. ....	14,555	5,191
Combined, Pa. ....	130,952	61,082
Commercial Casualty ....	60,431	22,886
Commonwealth Cas. ....	166,308	85,592
Community Life ....	18,600	6,479
Connecticut General ....	601,822	293,769
Continental Life ....	8,810	456
Continental Casualty ....	1,644,380	694,981
Continental Assur. ....	598,702	461,741
Dearborn Natl. Cas. ....	23,879	12,907
Detroit Mutual ....	1,030,781	254,156
Eagle Indemnity ....	—75	—
Emeco Casualty ....	1,415	3,375
Employers Liab. ....	44,506	39,957
Employers Mut. Cas. ....	692	—
Employers Mut. Liab. ....	40,328	26,340
Employers Reins. ....	21,714	8,080
Equitable Society ....	1,757,128	1,128,059
Excess ....	—	—
Federal L. & C. ....	267,414	79,251
Federal Life ....	166,188	92,850
Fidelity & Casualty ....	58,964	4,066
Fidelity H. & A. Mut. ....	562,733	290,995
Fireman's Fund Ind. ....	1,695	1,540
Franklin Life ....	11,223	835
General Accident ....	47,370	14,019
General American ....	450,115	320,762
General Reins. ....	3,263	2,656
George Rogers Clark. ....	137,714	49,022
Glens Falls Ind. ....	1,493	275

## Michigan Totals

	1949	1948
Total Prelim. ....	233,256,534*	212,383,424
Total Losses ....	123,585,980*	102,879,028
Auto B.I. Prelim. ....	31,712,234	31,527,980
Auto B.I. Losses ....	12,079,789	10,465,081
Other Liab. Prelim. ....	5,850,139	5,738,843
Other Liab. Losses ....	1,137,591	873,552
W.C. Prelim. ....	27,998,302	31,114,200
W.C. Losses ....	13,301,605	13,388,838
Fidelity Prelim. ....	1,956,673	2,611,764
Fidelity Losses ....	456,527	372,286
Surety Prelim. ....	2,994,009	2,547,217
Surety Losses ....	257,040	72,942
Glass Prelim. ....	1,500,839	1,209,694
Glass Losses ....	622,535	562,456
Burglary Prelim. ....	3,703,671	3,535,518
Burglary Losses ....	1,165,841	1,015,483
P.D.-Coll. Prelim. ....	45,550,122	41,760,149
P.D.-Coll. Losses ....	20,232,158	19,716,602

\*Includes classes shown below and fire, theft, etc., of full cover auto insurers as well as fire and allied business of multiple line companies.

	1949	1948
Globe Indemnity ....	24,314	5,466
Great American Ind. ....	6,374	1,689
Great-West Life ....	102,251	61,290
Guarantee Mutual ....	5,836	1,727
Hardware Mut. Cas. ....	276,318	187,854
Hartford Accident ....	90,656	30,118
Hawkeye Casualty ....	2	—
Home Indemnity ....	3,763	124
Hoosier Casualty ....	288,809	152,872
Hospital Medical Ben. ....	99,134	61,352
Ill. Bankers Life. ....	2,960	538
Ill. Mutual Cas. ....	39,111	16,437
Income Guaranty ....	243,129	137,987
Indem. of N. A. ....	90,169	38,963
Inter-Ocean ....	665,935	378,458
Inter-State Assur. ....	49,674	21,120
Jefferson Natl. Life. ....	4,265	815
John Hancock ....	3,318,179	2,349,475
Kemba Mutual ....	71,356	55,260
Liberty Mutual ....	188,952	168,163
Life of Virginia ....	4,417	224
Lincoln Mut. Cas. ....	10,064	2,075
Lincoln Natl. Life. ....	55,311	28,152
Loc. Eng. & Cond. Mut. ....	9,666	3,732
London & Lanc. Ind. ....	10,994	4,909
London Guar. & Acc. ....	3,287	907
Loyal Protective ....	129,448	35,804
Lumb. Mut. Cas. ....	50,122	25,366
Manufacturers Cas. ....	3,551	961
Maryland Casualty ....	32,924	11,107
Mass. Bonding ....	118,727	45,779
Mass. Indemnity ....	382,610	91,651
Mass. Mutual ....	19,591	13,801
Mass. Protective ....	364,617	162,892
Metro Mutual ....	136,497	56,177
Metropolitan Cas. ....	38,898	17,998
Metropolitan Life ....	7,511,651	5,431,366
Michigan Life ....	1,535,881	1,141,086
Michigan Mut. Liab. ....	91,336	56,156
Mid-States ....	303	—
Monarch Life ....	349,155	175,045
Motorists Mutual ....	460	45
Mutual Benefit H. & A. ....	7,833,219	4,353,929



No. 113  
OK

## ONE OF 142 Quality Checks

Why bother to make so many checks? Put yourself in our place. Would you want the L-O-F stencil to appear on any Safety Glass but the best? Neither would we. So we take particular pains.

Here's a typical example: in our check No. 113, after the glass has been completely edged, it moves on a conveyor through a specially lighted booth. Here an inspector catches every unit that may have fallen below the required high quality during preceding operations.

These 142 Quality Checks and Controls are important to you and your policyholders, because they give L-O-F Safety Glass:

1. Better heat stability
2. Better light stability
3. Better strength for safety
4. Better adhesion, glass to plastic

That's why L-O-F Hi-Test is the best Safety Plate Glass you can get anywhere. Libbey-Owens-Ford Glass Company, 945 Nicholas Building, Toledo 3, Ohio.

NO FINER GLASS THAN  
LIBBEY-OWENS-FORD

HI-TEST SAFETY

L-O-F  
PLATE

BE SURE YOU GET  
WHAT YOU PAY FOR



There are two grades of Safety Glass—one made of polished plate glass, the other of sheet or ordinary window glass. Claim agents who are on their toes, when honoring broken glass claims, always specify Safety Plate Glass and look for the L-O-F identifying stencil on each light supplied. That assures the policyholder and your company of getting full value.



P. D. Coll. Prem. and Losses	
1,071,845	
536,045	
161,204	
59,949	
49,032	
23,546	
612,363	
321,111	
Paid Losses	
142,730	
1,710,170	
207,489	
542,024	
9,774	
98,322	
19,242	
23	
185	
277	
2,336	
3,226	
5,191	
61,082	
32,586	
39,502	
6,479	
393,769	
456	
694,981	
461,741	
12,907	
354,156	
3,375	
39,957	
26,340	
8,080	
1,126,059	
8	
79,251	
92,850	
4,066	
290,995	
1,540	
835	
14,019	
320,762	
2,656	
49,022	
275	
1948	
12,383,424	
92,879,028	
31,527,080	
10,465,081	
5,738,843	
873,552	
31,114,200	
13,388,838	
2,611,704	
372,286	
2,547,217	
72,942	
1,209,684	
562,456	
3,535,518	
1,015,432	
41,700,149	
19,716,602	
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5,466	
1,689	
61,290	
127	
187,854	
30,118	
124	
152,872	
61,352	
538	
16,437	
137,987	
38,963	
378,456	
21,192	
515	
2,349,475	
55,260	
168,168	
224	
2,075	
28,152	
3,732	
4,909	
907	
35,804	
25,366	
961	
11,107	
45,779	
91,651	
13,801	
162,882	
56,177	
17,998	
5,431,366	
1,141,086	
56,156	
175,044	
42	
4,353,929	

	Net Prem.	Paid Losses
National A. & H.	26,441	7,133
National Casualty	823,588	561,630
National L. & A.	702,170	280,259
National Masonic	8,706	2,633
New Amsterdam Cas.	7,118	1,334
New York Casualty	118,761	38,687
North American Acc.	1,531	566
North American Life	3,971	789
Northwestern Natl.	30,965	19,143
Occidental Life	1,039,301	908,013
Ocean Accident	11,514	1,628
Ohio Casualty	446	80
Ohio State Life	13,069	3,972
Old Line Life	316,008	109,697
Pacific Mutual	162,472	81,781
Paul Revere Life	284,370	114,002
Peerless Casualty	2,818	1,527
Phoenix Indemnity	4,177	1,652
Plain Dealers Mut.	2,358	1,092
Preferred Accident	39,444	7,487
Provident L. & A.	1,126,395	753,643
Prudential	1,423,947	963,497
Reliance Life	51,692	21,591
Royal Indemnity	298,366	147,060
St. Paul-Mercury	1,340	260
Security Mutual, N. Y.	8,909	4,558
Standard Accident	238,681	162,342
State Mutual Life	22,854	23,948
Sterling	271,101	50,046
Sun Indemnity	1,393	918
Supreme Liberty	2,234	145,415
Time	314,716	2,753,991
Travelers	3,961,255	6,497
Twentieth Cent. Mut.	20,348	40,818
Union Casualty	38,143	59,477
Union Labor Life	93,125	14,348
Union Mutual Life	50,965	141,106
United Benefit Life	305,851	721,682
United, Ill.	1,939,121	2,754
United L. & A.	8,225	3,848
U. S. Casualty	9,788	10,115
U. S. F. & G.	22,158	16,576
U. S. Guarantee	284	15,911
Universal Mutual	68,251	55,523
Western Cas. & Sur.	17,402	68,163
Wisconsin Natl. Life	140,469	70,107
Woodmen Accident	177,827	170,085
Woodmen Central	137,975	427,613
World	519,259	
Zurich	662,098	
Totals	\$57,683,333	\$35,244,763
1948	\$1,446,430	\$8,690,829
1947	\$4,925,807	\$2,804,976

#### BOILER & MACHINERY

	Net Prem.	Paid Losses
Aetna Casualty	\$ 2,453	\$ 1,940
Amer. Employers	41,318	3,077
Amer. Guar. & Liab.	37,486	10,070
Amer. Reins.	10,034	
Columbia Casualty	9,240	17,298
Eagle Indem.	59	
Employers Liab.	75,449	1,689
Excess Indem.	897	423
Employers Reins.	4	
Fidelity & Casualty	65,912	12,599
General Accident	42	482
General Reins.	18,347	
Globe Indem.	10,503	7,047
Hartford Steam Boiler	445,893	134,980
London Guarantee	4,570	300
Lumbermens Mut. Cas.	107,321	32,353
Maryland Casualty	70,901	48,582
Mutual Boiler	144,112	4,689
Ocean Accident	139,929	12,661
Phoenix Indem.	10,570	202
Royal Indem.	17,848	7,257
Standard Accident	570	
Travelers Indem.	216,959	80,055
Totals	\$1,429,159	\$ 374,849
1948	\$1,848,423	\$20,162
1947	\$1,424,480	\$33,409

#### HOSPITAL & MEDICAL

Am. Hosp. Med. Ben.	\$3,630,877	\$2,498,621
Assoc. Mut. Hosp. Serv.	331,303	191,055
Mich. Hosp. Serv.	26,868,864	22,400,968
Mich. Med. Serv.	12,006,183	10,776,594
Totals	\$42,837,227	\$35,867,836
1948	\$30,139,579	\$24,450,453
1947	\$25,109,362	\$15,160,168

#### CREDIT

Amer. Credit Ind.	\$ 161,743	\$ 1,504
Employers Reins.	47,998	431
General Reins.	13,881	3
London Guarantee	23,618	
Totals	\$ 247,240	\$ 1,938
1948	\$249,364	\$13,445
1947	\$219,988	\$4,725

#### LIVESTOCK

Hartford Livestock	\$ 25,354	\$ 12,296
Totals	\$ 25,354	\$ 12,296
1948	\$27,516	\$13,935
1947	\$28,140	\$10,043

#### SPRINKLER & WATER DAMAGE

Aetna Casualty	\$ 12,973	\$ 6,619
Commercial Cas.	178	
Great American	438	
Indemnity of N. A.	1,835	575
London Guarantee	194	502
Maryland Casualty	4,403	511
Metropolitan Cas.	30	265
Phoenix Indem.		203
United Natl. Ind.		48
U. S. F. & G.	941	464
U. S. Guarantee	26	
Totals	\$ 20,966	\$ 9,087
1948	\$26,421	\$14,144
1947	\$25,639	\$6,593

Special lines of inland marine insurance were reviewed before **Insurance Women of Racine** by John T. Hitt, Milwaukee, special agent of Aetna Fire.

## State Farm Makes Big Rate Cuts in Five States

State Farm Auto has lowered rates in five more states, the reductions ranging up to 30%. The company also has opened a new office at Marshall, Mich., which will house the Michigan state agency, formerly at Lansing, and the Michigan records, formerly maintained at the home office.

In Michigan, B.I. and P.D. liability is reduced 7%, comprehensive 17 to 20%; collision 11 to 17%; Kansas, com-

prehensive 15 to 30%; collision 10 to 25%; Wyoming, B.I. 10 to 15%, comprehensive 15%, collision 0 to 20%. Colorado, B.I. and P.D. up to 20%, comprehensive 20 to 25%, collision 10 to 20%; California reductions run up to 10% on comprehensive and from 14 to 25% on collision.

Reductions in Illinois, Nebraska and Missouri were previously announced.

## Ore. Independents Meet Cuts

PORTLAND, ORE. — Independent automobile insurers in Oregon have re-

duced B.I. and P.D. rates to meet the reductions put into effect by National Bureau of Casualty Underwriters.

In some classifications the new bureau rates are still higher than the former rate of the independents and in those cases no changes were necessary, according to Arthur Eppstein, president of Oregon Automobile.

## Counsel Meeting Dates

Federation of Insurance Counsel will hold its annual convention Sept. 14-16 at Atlantic City.

"Unforeseen events . . . need not change and shape the course of man's affairs"

NAME: BENJAMIN RALPH  
No. 21105  
Color: White  
Sex: Male  
Classification: Embezzlement  
Ref. 1 R. Middle Finger  
1 R. Index Finger  
1 R. Ring Finger  
1 R. Little Finger  
1 L. Middle Finger  
1 L. Index Finger  
1 L. Ring Finger  
1 L. Little Finger  
Four fingers taken simultaneously  
Left Hand  
Right Hand  
Fingerprint signature: Benjamin Ralph  
PLEASE DO NOT FOLD THIS CARD

## The reference that came too late

He was a "trusted employee." But one day he took off with enough company money to embarrass the business. Then, too late, they found he had a police record.

All employers run the risk of loss from employee dishonesty. Almost every day you read newspaper stories of thefts and embezzlements. Sometimes they contain this statement: "The loss is fully covered by insurance."

What of your business? If a shortage were discovered in your funds today, and traced to em-

ployee dishonesty, wouldn't it be comforting to know that you are financially protected?

The best (and only) way to secure such protection is to obtain a Fidelity Bond (dishonesty insurance) in an adequate amount, covering your entire organization. Whether your business is large or small, *guaranteed honesty* is the best policy. See your Maryland agent or broker about a Fidelity Bond tailored to your particular needs.

Remember: because your Maryland agent knows his business, it's good business for you to know him.

# MARYLAND CASUALTY COMPANY

Baltimore 3, Maryland

All forms of Casualty Insurance, Fidelity and Surety Bonds, for business, industry and the home, through 10,000 agents & brokers

## Liquidation Suit Filed Against U. S. Mutual

Attorney General Elliott of Illinois has filed in the circuit court of Chicago a suit to require U. S. Mutual of Chicago to show cause why it should not be liquidated. The order is returnable April 10. This company is affiliated with Illinois Automobile Club, and both

are headed by John R. Doolin. The attorney general alleges that U. S. Mutual was impaired to the tune of \$322,266 as of Jan. 10, this including the \$43,000 minimum surplus that such a company is required to maintain. R. C. Eardley, first assistant attorney general, is quoted as saying that U. S. Mutual had failed to give effect to a resolution to assess the policyholders.

Washington National has named the Whiting & Whiting general insurance agency at Detroit as general agents.

*This is one of a series of advertisements appearing regularly in leading newspapers throughout the country.*

*Things every Insurance Buyer should know—No. 37*



## It's Not a Matter of Honesty

**Y**ou and your insurance company can both be as honest as the day is long, and still have important differences of opinion.

Take a fire, for example—home or factory seriously damaged. What is a "fair" settlement? Just what was damaged, and to what extent? What was its insurable value? How about the application of coinsurance or depreciation?

This is only one phase of a big subject. In selecting insurance companies and contracts—in setting up a comprehensive insurance plan—in settling claims—and in other complicated insurance problems—the fact is that as a policyholder you need some one with technical training to represent your interests.

An insurance policy is simply a business contract between two parties. Both parties should have counsel. If you are a party to any such contract, get the help of the most competent agent or broker you can find—some one whose primary responsibility is to represent you. Experience proves that it pays.

And just for the record, the Atlantic Companies welcome such representation.

## THE ATLANTIC COMPANIES

ATLANTIC MUTUAL INSURANCE COMPANY  
CENTENNIAL INSURANCE COMPANY

Home Office: 49 Wall Street, New York

Baltimore • Boston • Chicago • Cincinnati • Cleveland • Dallas • Detroit  
Grand Rapids • Houston • Los Angeles • Newark • New Haven • Oakland  
Philadelphia • Pittsburgh • Portland • St. Louis • San Francisco • Seattle • Syracuse

Marine, Fire, Inland Transportation, Yacht, Property Floaters, Automobile and Casualty Insurance

## A. & H. Bureau Holds Seminar on Disability Laws

**NEW YORK**—The educational seminar of the Bureau of A. & H. Underwriters here emphasized the New York disability benefits law and the problems of private insurers in writing coverage under the other laws now in effect. About 160 delegates from 54 companies attended. P. J. Burns, Eagle-Globe-Royal, was general chairman.

Francis T. Curran, Commercial Casualty, discussed the statutory disability laws in Rhode Island, California, and New Jersey. He predicted that the recent amendment to the California act granting hospital benefits of \$8 a day for 12 days of hospital confinement will be duplicated by some form of increased benefit in New Jersey, perhaps in the form of increased weekly indemnity, and that the same thing might happen in New York not long after the law there comes into effect.

### Complex for Underwriters

Complexities of the underwriter are increasing as each new law is passed, William F. Brownlee, Connecticut General Life, said. An employer with employees nationally distributed can no longer insure all of them under a single group A. & H. policy with a single standard benefit with eligibility conditions being established to best suit his needs. He finds that he now has four group A. & H. policies with a good chance that his employees in Rhode Island are not insured under any of them. Amendments to laws continually change plans that already

have been written, he said.

The background of social insurance was developed by Louis A. Orsini, Bureau of A. & H. Underwriters.

An analysis of the law was presented by E. H. Marshall, Indemnity of North America. The state workmen's compensation fund has more than 60,000 policyholders and an annual premium volume exceeding \$50 million, he said. It writes better than 25% of all the workmen's compensation business in the state. It has about 1,500 employees including about 24 salaried solicitors who call upon or otherwise contact all employers in the state. He expects claim problems to develop under the section of the law which allows benefits for disability that occurs after an employee has returned to work two weeks after childbirth. The fact that the New York law has been based on new taxation indicates that the statutory disability benefits movement is strong enough to spread to states where new taxes are required, he said. Many have thought that their greatest strength was in those states that had built up a substantial balance of employee contributions in the federal unemployment compensation insurance reserve fund.

Speakers included Henry S. Beers, vice-president Aetna Life; Alfred J. Bohlinger, New York deputy superintendent; George E. Light, Travelers; S. Daniel Juliani, Aetna Life; Maurice L. Furnivall, Travelers; Willett K. Boger, Hartford A. & I., and Harry W. Williams, Hartford A. & I. Question and answer sessions followed each talk.

### State Farm Wichita Rally

A district meeting of the State Farm companies was held at Wichita, in charge of the W. Z. Johnson district agency. There were about 70 in attendance, including John A. Gronner, Kansas director, and District Managers William Schulte, Girard; George Fankhouser, Eldorado, and Robert Romig, Hutchinson.

## UNITED STATES CASUALTY COMPANY

Casualty



Surety

HOME OFFICE:

60 John Street

New York



## ACCIDENT AND HEALTH

### Provident L. & A. Has "Catastrophic" Hospital Coverage

"Catastrophic" hospital extras insurance is now written by Provident Life & Accident in connection with its new "preparedness" hospital-surgical policies.

The new optional coverage is issued in two forms—one paying 100% of the first \$50 plus 75% of the next \$1,000 and the other paying 100% of the first \$100 plus 75% of the next \$1,000 charged for special hospital services (i.e., other than room and board.)

For example (using the \$100 form) if the bill for hospital extras is \$100 (or less) the policy will pay all of the expense incurred; if the bill is \$200, the policy will pay \$175, and if the bill totals \$1,100 (or more) the policy pays the maximum of \$850. The \$50 form operates in the same manner with a maximum limit of \$800 for hospital extras during any one period of continuous disability.

There is still a third new hospital extras rider which provides blanket protection up to a maximum of \$100. All three forms will be issued with new "preparedness" policies, written on both individual and family group forms, and all three can be attached to previous policies (of the same type) at their renewal dates, subject to the usual underwriting requirements.

#### Polio Policy Limit Raised

The maximum limit payable under the Provident L. & A. polio policy has been increased from \$5,000 to \$10,000. This change applies not only to new policies dated on and after April 1, but to all existing policies as respects any claim which may have its beginning on and after April 1, 1950.

The provision for payment for special nurses has been extended to cover the usual and customary charge for as many as three registered nurses (that are not relatives of the patient) during any 24-hour period. Provident's polio policy contains no time limit and provides benefits for doctor's bills, hospital bills, special nurses, iron lungs, orthopedic appliances (purchase rather than rental), ambulance fees and emergency transportation.

### Continental Group Has DBL Self-Underwritten Plan

A self-underwritten policy, complying with the New York disability benefits law is announced jointly by Continental Casualty and Continental Assurance. Representatives of the companies initiated a new technique of "on-the-spot" delivery of policies to employers in metropolitan areas and throughout New York state.

The policy, which provides full statutory DBL benefits, is approved by the New York insurance department and workmen's compensation board. Soliciting agents are offered a choice of two commission schedules: Either a level commission of 7% the first and subsequent years or regular group commission of 20% graded the first year and 5% graded thereafter.

The policy is designed for employers of four or more who have less than 25% seasonal or part-time employees. Such businesses may be covered by agents of either Continental Casualty or Continental Assurance. Cases involving 25% or more seasonal or part-time employees must be submitted for individual consideration.

### Morrow to Mass. Protective

Everett E. Morrow, who recently resigned as superintendent of A. & H. agencies of Old Line Life of Milwaukee, and previously field superintendent, has

gone with Massachusetts Protective and Paul Revere Life as assistant to the vice-president in charge of agencies. His duties at Old Line were added to those of Paul A. Parker, agency director of the life department.

### New American H. & L. Policy

American Hospital & Life has put out an accident policy for men and women class A, which pays five years

for accident total disability, 40% partial for three months, reimbursement for hospital, doctor and nurses, \$5,000 for loss of limbs or sight, and death benefit of \$1,000 to \$5,000.

### Hold Wis. Regional Meeting

E. O. Hammer, Milwaukee manager of North American Life & Casualty, sponsored a regional meeting of eastern Wisconsin agents to discuss sales problems and promotional activities. President H. P. Skoglund reviewed the company progress last year and re-

ported that sales are currently running considerably ahead of a year ago.

### Ray McArthur Speaker

Ray B. McArthur, home office representative of Time, spoke on "Dusting Off Sales," at the April luncheon-meeting of A. & H. Underwriters of Milwaukee.

Group Health Mutual of St. Paul has joined H. & A. Underwriters Conference. It writes hospital, surgical and medical expense coverage.

Organized 1875

## ACCIDENT AND CASUALTY INSURANCE COMPANY

OF WINTERTHUR, SWITZERLAND

UNITED STATES BRANCH

December 31, 1949

### Financial Statement

#### ADMITTED ASSETS

Cash and U. S. Government Securities . . . . .	\$ 4,237,655.48
Other Bonds . . . . .	2,952,124.51
Stocks . . . . .	2,021,924.60
Other Assets . . . . .	1,520,062.31
Total . . . . .	\$10,731,766.90

#### LIABILITIES

Reserve for Claims . . . . .	\$ 3,806,905.79
Reserve for Unearned Premiums . . . . .	3,132,672.14
Reserve for Other Liabilities . . . . .	559,329.63
Voluntary Contingency Reserve . . . . .	\$ 732,859.34
Statutory Deposit with New York . . . . .	850,000.00
Surplus over Deposit . . . . .	1,650,000.00
Policyholders' Surplus . . . . .	3,232,859.34
Total . . . . .	\$10,731,766.90

Bonds and Stocks owned are valued in accordance with requirements of New York State Insurance Department and National Association of Insurance Commissioners. Securities carried in the above statement at \$1,670,000.00 are deposited as required by law. All assets in this Statement are held in their entirety, for protection of United States Branch of the Company and its Policyholders and Creditors.

OGDEN DAVIDSON  
United States Manager

CHARLES A. BARKIE  
United States Assistant Manager

ARTHUR F. MCCARTHY  
United States Assistant Manager

111 JOHN STREET

NEW YORK 7, N. Y.

### Mid-Western Department

INSURANCE EXCHANGE, CHICAGO 4, ILL.

William K. Synan, Manager

Harold T. Roos, Assistant Manager



*Beyond Horizons*

Wherever we may be in this world—what-  
ever we may do or think, we do not forget  
that tomorrow must be planned for.

The Yorkshire's world wide operations  
are well planned—the Yorkshire looks  
not only at a local scene but beyond  
horizons.



*Will Wrightem*  
FIELD CORRESPONDENT

**THE YORKSHIRE**  
INSURANCE CO. LTD.

**SEABOARD**  
FIRE MARINE AND THE

**YORKSHIRE**  
INDEMNITY CO. OF N.Y.

90 JOHN STREET  
NEW YORK CITY

**AMERICAN CREDIT  
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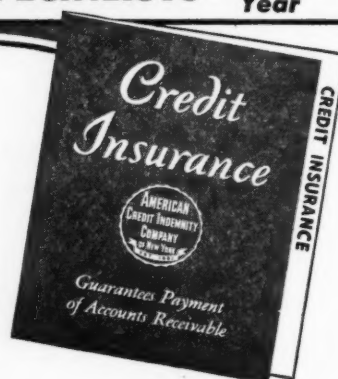
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ACCOUNTS RECEIVABLE—is left exposed to  
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CREDIT INDEMNITY COMPANY OF NEW  
YORK, First National Bank Building,  
Baltimore 2, Maryland.



## CHANGES IN CASUALTY FIELD

### Kroll Named in D.C., Ramsey Kansas City Manager for F. & D.

William M. Kroll, manager at Kansas City for Fidelity & Deposit, has been appointed manager at Washington, D. C., to succeed the late Guy C. Cosway, who was killed in an automobile accident Feb. 22.

Successor to Mr. Kroll in Kansas City is Maurice K. Ramsey, associate manager there.

A native of Washington and with that office for nine years prior to his transfer to Kansas City in 1947, Mr. Kroll has been with F. & D. for nearly 30 years. Before going to Washington in 1938, he had served as assistant manager at New Orleans.

Mr. Ramsey has been with F. & D. at Kansas City since 1921.

### Manufacturers Promotes 5 to H. O. Executive Posts

Manufacturers Casualty and Manufacturers Fire have named Paul R. Brislen, John S. Kennedy, Joseph H. McDermott and Henry H. Pollock assistant secretaries, and F. P. Francis assistant treasurer.

Mr. Brislen went with Manufacturers in 1946, and has been superintendent of the compensation and liability department since 1948. Mr. Kennedy joined the companies in 1936 as superintendent of the burglary and plate glass departments. Mr. McDermott went with the companies in 1945 and was made superintendent of the surety department in 1948. Mr. Pollock has been with the companies since 1937 and has been superintendent of the automobile department since 1943. Mr. Francis joined the companies in 1927, becoming assistant superintendent of agents in 1948.

### New Shawnee Mutual Head

D. L. McDevitt has retired as president of Shawnee Mutual, Columbus, O., and is succeeded by John G. Kunkel, who has been auditor.

### Expand D. C. Operations

Standard Accident has moved its Washington office to larger quarters at 326 Woodward building and changed the status to a branch operation. The territory will now include the District of Columbia, Virginia, that portion of

West Virginia which has been serviced by the Richmond service office, and Maryland with the exception of the east shore and Baltimore bonding business.

### Menist Promoted at Head Office of Fireman's Fund

Stuart D. Menist, assistant manager of the fidelity and surety department at the head office of Fireman's Fund group, has been elected assistant secretary of Fireman's Fund Indemnity.

Mr. Menist joined Fireman's Fund in 1937. He was made assistant manager of the bonding and fidelity department in 1948. He is president of Surety Underwriters Assn. of Northern California.

Mr. Menist graduated from the University of California. He served with the army as a regimental commander.

### New Amsterdam Opens Jacksonville, Fla., Branch

New Amsterdam Casualty has opened a new branch office at Jacksonville, Fla., with O. Watson Johnson, Jr., as manager. He is a graduate of the University of Alabama and has been with the company since 1934, first as an agent at Lynchburg, Va., and later as special agent at Pittsburgh and Richmond. For the last nine years he has been manager at Raleigh, N. C.

Stuart C. Harvey, who has been in charge of claims for New Amsterdam at Jacksonville since 1940, will continue in that capacity. Frank M. Cardiff will be in charge of casualty underwriting. He has been with the company since 1943 in underwriting work. Carl J. Schrenker will supervise audits and inspections. He has been an auditor and inspector for the company in Florida since 1941.

### Sayer to Peerless Casualty as Assistant Secretary

Peerless Casualty has appointed Edward D. Sayer as assistant secretary in the reinsurance department at New York.

Mr. Sayer previously was with General Reinsurance for 21 years. Since 1946, he has been assistant secretary.

### Sterne, Graham V.-P.'s

Tom C. Sterne and Fred J. Graham have been elected vice-presidents of United Pacific.

Mr. Sterne went with United Pacific in 1930 and is now head of the underwriting department. He became an assistant vice-president in 1943. In his earlier days he was with American Surety at Seattle.

Mr. Graham graduated at Marquette university and was with the legal department of Employers Mutual Liability until joining United Pacific in 1943 as compensation claims manager. He became manager of the home office claims department in 1945 and two years ago was elected an assistant vice-president.

### Keystone Advances Shipps

PHILADELPHIA—Harry V. Shipps, who has been assistant secretary and supervisor of underwriting, has been named secretary and manager of Keystone Automobile Casualty, Keystone Automobile Acceptance Co., and Keystone Automobile Club Consumer Discount Co.

He joined the company as a junior underwriter in 1925 after previous insurance experience.

### To Open Cincinnati Office

Hardware Mutual Casualty on Sept. 1 will open a new regional office at Cincinnati. The office will supervise part of Ohio, Kentucky, West Virginia and Indiana.

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## COMPANIES

### Am. Motorists Votes for New Stock Issue

Directors of American Motorists have voted to sell 100,000 additional shares at a price of \$5 per share, and to offer these to stockholders at the ratio of one of the new shares for each three shares held on the record date. This will increase the capital from 300,000 shares of \$5 par value stock to 400,000 shares. An SEC prospectus will be filed.

### H. A. Yates Elected to Head National Union Ind.

Henry A. Yates has been elected president of National Union Indemnity to succeed John M. Thomas, who has resigned but will continue as a director. Mr. Yates is also president of National Union Fire.

William MacLean, treasurer, has been elected a director succeeding the late H. A. Phillips.

### Dividend Is Increased

A dividend of 60 cents per share has been voted by American Fire & Casualty. A dividend of 50 cents was paid in 1949. The company has a 15-year dividend record.

### Capital \$1 Million

Capital of Houston Fire & Casualty has been increased from \$600,000 to \$1 million. Surplus to policyholders is \$2,151,780 and assets \$6,270,790.

### New Truck Exchange Directors

Four new directors were elected by Truck Insurance Exchange at the annual meeting. They are: R. W. Lee, Sooner Freight Lines; Harry Kemp, Kemp-Pro Co.; William Utzinger, Salt Lake Freightways, and Harry F. Johnson, H. F. Johnson, Inc.

## SURETY

### Sour Notes in Fidelity Line

The fidelity business for so long now has been uniformly good that it is hard for insurance people to realize that it is taking on a seriously sour tinge. Fidelity underwriters who have lived through several cycles have been saying for the past several years that losses were in the making that were bound to erupt and reverse the favorable trend. Their gloomy forecasts are apparently now being confirmed with a vengeance. Significant, for instance, is the reference of President E. G. Lowry, Jr., of General Reinsurance in his message accompanying the annual statement: "The company's fidelity business, which has been profitable for the past several years, went into the red in 1949, and this deterioration largely accounts for the company's relatively higher loss ratio for the year."

Again there is the fact that London Lloyds statement for Illinois business reports premiums of \$445,394 on the fidelity line and losses of \$397,921.

### Surety Group Confers on U. S. Bonding Question

WASHINGTON—A conference was held this week between Harry Harper, surety bond expert attached to the House expenditures committee, and surety representatives to consider reports from government departments and agencies on the minimum number of bonds they believe would be required for government employees.

Among those attending were J. C.

Smith, Travelers, chairman of the industry committee; Martin Lewis, Surety Assn. of America; M. M. Franklin, actuary; William Bennem, American Surety, and Howard M. Starling, Assn. of Casualty & Surety Companies.

### Fire Companies Find Quirk in Surety Move

WASHINGTON—Some fire companies, reportedly, have not been able to qualify to write surety bonds running to the federal government. Others, however, have qualified.

This situation arises from the law requiring financial statements to be filed within a month after a calendar quarter ends. Some fire companies have not been able to make such filings, it is understood.

However, Harry Schwalm, chief Treasury surety bond section, says some have qualified. With original applications to qualify, he said, annual statements must be filed. He also indicated that fire companies can qualify under the law if they file preliminary or estimated statements within the 30-day limit after a quarter ends, to be followed later by final statements. Statements for the calendar quarter ending March 31 are due during April.

Fire companies have applied for Treasury approval in considerable numbers during recent months, officials say.

There has been no complaint received from fire companies, officials say, about the Treasury requirement, which is provided for by law, and cannot be changed by regulation or administrative action.

### Big Projects in Alaska

Morrison-Knudson Co. and Peter Kewitt Sons Co. were low bidders at \$3,113,113 for construction of the Murphy Dome Project near Fairbanks, Alaska. Fidelity & Deposit for Morrison-Knudson and Aetna Casualty for Kewitt were on the bid bond.

The Alaska road commission has awarded a contract to Lytle-Green Co. of Des Moines at \$2,339,810 for work on the Richardson highway near Juneau. Aetna Casualty will execute the bonds.

### Claim Men to Hear Downs

Surety Claim Men's Forum at its meeting at New York heard Neil Leary, Maryland Casualty, discuss fidelity claim questions. On April 20 Walter W. Downs, Hartford Accident, Hartford, will be the speaker.

### Unions Strike for Hospital, Accident, Surgical Benefits

What may be the first strike by unions for hospitalization, accident and surgical benefits insurance started at Paterson, N. J., where 2,200 Jacquard silk workers and 1,600 plain goods weavers in 138 textile plants went on strike, pending receipt of a contract containing those provisions.

### To Cover Children's Deaths

REGINA, SASK. — Payments of death benefits to parents of children from 1 to 9 years old who die as a result of automobile accidents is provided for in an amendment to the Saskatchewan automobile accident insurance act. Payment will be \$100 if the child is 1 to 6 years old; \$200 if 7; \$300 if 8 and \$400 if 9. Payments for children over age 9 are now provided. The amendment also provides for payment of \$1,000 to be divided equally between the parents of a child over 18 if unmarried at the time of death, provided no other benefits are payable.

Perry Franson, special agent for Atlantic Mutual at Seattle, is recovering from serious injuries sustained in a recent automobile accident.

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THE SYMBOL OF SERVICE FOR COMMERCE AND INDUSTRY

## Credit Life & Disability Questions Get Attention

(CONTINUED FROM PAGE 25)

a group form of policy and pay for it on the wholesale basis. Then they turn around and charge the borrower 1%. That he contended is not proper. It becomes an outright sale of insurance and the borrower should pay no more than the cost of the insurance to the lender.

There was a question as to who receives the commission. The reply was that it is usually someone connected with the finance factor. If it is not permitted for the factor to be licensed, usually some relative receives the commission. He insisted that a general insurance agent is not interested because the premium is so small.

Commissioner Martin of Louisiana said he has taken the position that at least one person in the finance organization should be licensed as a life insurance agent and others who take a hand in the transaction other than in a merely clerical capacity, should be licensed as solicitors for that agent.

### Shouldn't Germinate Agents

Mr. Landon said that is the best procedure. Mr. Landon declared that the providing of credit life insurance should not result in the licensing of thousands of agents on a full-time basis who might later enter the regular field.

There is a question about how the plan works in larger cities in view of the federal law preventing national banks and places of 5,000 or more to engage in the insurance business. Mr. Landon replied that federal authorities do not press the point if the income from the insurance operations does not flow to the bank.

Mr. Larson said that the Florida licensing law has worked well in this connection. Ed Faircloth, Florida deputy, asked how the plan works with credit unions. Mr. Landon replied that the credit unions are much interested. Their income is limited because of low interest rates and it is hard for them to keep from operating at a loss. By providing credit life and disability insurance, credit unions can increase their income. Also this often eliminates the need of a co-signer.

## Agent Licensing Legislation Debated by Zone 3 Group

(CONTINUED FROM PAGE 25)

the State Farm group, have no more luck with agents that are examined than those that are not. He said little in the way of fraud needs to be feared during the temporary period because an agent can't sell anything except what has been approved by the state. Mr. Meyers commended the life people for their courses of training and said that the fire and casualty companies should follow suit.

Mr. Larson pointed out that in Florida there is provision for a solicitor to serve six months. Mr. Meyers said he liked that idea. He went on to say that very often in a small place loss adjustments are handled by the agent. If the licensing law is so strict that it is impossible to maintain an agent in a place the public there loses a loss adjustment facility.

Walter Stevenson, local agent at Miami and president of Greater Miami Insurance Board, said that the board does not allow anyone to take an examination for agent unless he has been in training six months as a solicitor. The Florida law is satisfactory, he said, but it doesn't go far enough.

## Mysterious Disappearance of Guest's Ring Covered

(CONTINUED FROM PAGE 25)

Mrs. Johnstone was a guest of the Wilsons and a temporary member of their household. The court said that so far as the right of recovery is con-

cerned it hardly thinks it made any great difference whether she was or was not a guest. The lower court could find, it seems, that she had left her ring in the Wilson home when she was a temporary member of their household, that she was deprived of it by theft in that home and the insurer had promised to pay for the loss and has not done so.

## DISAPPEARANCE NOT THEFT NEW JERSEY COURT HOLDS

District court at Trenton, N. J., in *Weiner vs. U.S.F.&G.*, has held that the mysterious disappearance provision in the theft policy does not cover or "purport to cover property mislaid or lost. Nor does it insure against any and all mysterious disappearances. It merely provides to be due to theft." The court said the presumption is not irrebuttable and even with the provision in the policy it is incumbent upon the plaintiff to sustain the burden of proving theft.

Weiner sought to recover for the value of his wife's wristwatch alleged to have been lost by theft. The evidence showed that on or about Jan. 18, Mrs. Weiner attended a meeting with a friend at the Stacy Trent hotel at Trenton. Mrs. Weiner left her home at about 1:30 in the afternoon and had a distinct recollection of having had the watch on

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her wrist, secured by a safety catch. She wore long gloves covering the wristwatch and a fur coat with elastic sleeves. Shortly after her arrival at the hotel and after removing her gloves, she went to the ladies' room, from there to the main ballroom where the meeting was held. Her friend asked Mrs. Weiner for the time, and it was then that she noticed the watch was gone. She made a search for the watch in the ladies' room and also made inquiry of the attendant there about whether or not a watch had been found. She also reported the loss to the manager of the hotel and a search was made but the watch was not found. About a week later she reported the loss to the police and two months later in a statement to a representative of U.S.F.&G., she stated her watch was lost.

U.S.F.&G. contended that evidence disclosed no theft but merely that the watch was lost and that Weiner was therefore not entitled to recover. No case citing a similar situation was given by either counsel.

The judge noted that the provision that a mysterious disappearance of any insured property shall be presumed to be theft is inserted in order to obviate the extreme difficulty of making out a case of theft. However, the judge added that the proofs in this case did not substantiate the allegations of theft and judgment was for U.S.F.&G.

## Fewer Auto Accident Deaths in 1949 but More Injuries, Travelers Booklet Shows

There were fewer automobile accident deaths on streets and highways of the nation last year than in 1948, but more injuries, according to figures released by Travelers.

Fatalities in 1949 totaled 31,800, compared with 32,200 in 1948, the company reported, but injuries last year soared to an all-time high of 1,564,000. The 1948 figure was 1,471,000 injured.

These statistics are highlights of "Main Street," 16th in an annual series of traffic safety booklets issued by Travelers. It maintains an accident statistical bureau which collects and analyzes accident data from the 48 states.

Excessive speed headed the list of accident causes in 1949, as it has in most recent years. "Exceeding the speed limit" caused 10,100 deaths and 398,700 injuries in 1949, according to the booklet. "Speed was a greater factor in traffic casualties last year than at any time in history," the report states.

There were 890 fewer fatalities among pedestrians in 1949 than in 1948, but 180

more persons were killed crossing streets between intersections last year than in 1948.

Last year, for the first time since the war, the percentage of 18 to 24-year-old drivers involved in accidents took a downward turn. "Youthful drivers, however, are still the cause of thousands more deaths and injuries than their number warrants," the booklet declares.

## Program Set for Casualty Section of Accountants Meet

Casualty sessions for the annual meeting of Insurance Accounting & Statistical Assn. at Boston May 10-13 have been completed by E. Shaw Skillings, Allstate, casualty director.

The conference will open at the John Hancock Hall in the New John Hancock Life building with John Stuart, Employers Mutual Casualty, association president, presiding. This will be a combined fire and casualty session and the speakers will be H. L. Van Horn, Manufacturers Casualty; John L. Olsen, Jr., Liberty Mutual, and W. J. Hindman, Lumbermens Mutual Casualty.

The casualty sessions Friday morning will have as speakers Eugene A. Yergey, Driscoll, Millet & Co., on "Financial Cost Analysis as Applied to

Insurance;" Henry D. Locke, Liberty Mutual, on "Functions of a Research Department in the Multiple Line Company," and John A. Mills, Lumbermens Mutual Casualty, "Unallocated Loss Expense—Distribution Methods." The afternoon session will be an informal discussion of loss and loss expense reserves with Phillip A. Knopp, Merchants Mutual Casualty; F. S. Perryman, Royal-Liverpool; Dudley M. Pruitt, General Accident, and T. F. Tarbell, Travelers, as moderators. On the final day the talks will be given by Mr. Tarbell, who will give a progress report on "Uniform Accounting;" O. C. Moffatt, National Retailers Mutual, who will give another phase on that subject, and a uniform accounting panel discussion will be led by Messrs. Perryman, Moffatt, Tarbell and W. E. Stanley, Pennsylvania Manufacturers Mutual; Kellum Johnson, Gulf, and Leilyn M. Cox, Employers Mutual Liability.

## Kemper Group L.A. Changes

Lumbermens Mutual Casualty and American Motorists have appointed Broox G. Davis, manager of general underwriting at Los Angeles, G. R. Pahlman, manager production underwriting and Carl Woodward, manager A. & H. department.

## Actuaries Ponder A. & H. Catastrophe Hazard

(CONTINUED FROM PAGE 26)

ments to sick unemployed persons, may fluctuate widely because of business conditions. Based on a not unreasonable guess of 15% unemployed over the entire business cycle, calculations indicated that as much as 15% of the gross premium might be required for this assessment and proper reserves would be required to keep costs within reason during depression years.

William W. Fellers, the Wyatt Co., also discussed the possible need for reserves on group A. & H., including allowance for the charging of flat premiums while the claim rate tends to rise with age. W. Rulon Williamson of the same company closed the discussion by pointing out that actuaries should emphasize the need for a proper contingency reserve approach to cover epidemics, depressions and other fluctuations, because others involved in the negotiations of all types of plans may not recognize or understand this need.

## Disability Benefits Plans Subject to Bargaining

A firm engaged in interstate commerce must bargain collectively with its employees before asking them to vote on a private disability plan, Harold G. Hoffman, former governor and now New Jersey's state employment security director, has ruled. His holding apparently makes disability benefits plans subject to collective bargaining and, unless it is upset, may mean that TDB plans in New Jersey will be in the same status as pension plans were nationally after the Inland Steel decision.

Mr. Hoffman held that Worthington Pump & Machinery Corp. had been unfair and improper because it refused to bargain with a local of the United Steelworkers union before instituting a private disability plan. He instructed William F. Dittig, disability insurance superintendent, to set aside his approval of the private plan and to instruct the company to bargain with the union before conducting an election.

## Many Demands for Reprints

Travelers has received requests from the insurance fraternity and the general public for more than 60,000 of the reprints of the double spread advertisement in the Saturday Evening Post. It consisted of a digest of a recent talk by President Jesse W. Randall entitled, "Insurance—the American Way."

### Ill. "Comp" Rates Reduced 12.6%

Director Hershey of Illinois has approved a 12.6% average rate reduction for workman's compensation, an estimated \$6 million premium cut.

The reductions apply to all but 21 of the 680 industrial classifications and are effective April 1 on new and renewal business only. 21 classifications received rate increases.

In revising the rates, Mr. Hershey pointed out that experience figures for 1949 were not available. When they are received, the department will review them and if the trend is favorable a

further downward revision will be made.

The original recommendation of National Council on compensation insurance was for a 9.3% average reduction. This was later changed to 9.5%, but on the recommendation of National Bureau of Casualty Underwriters, the 12.6 figure was put through.

### Thomas Continental Cas. Executive Special Agent

Continental Casualty, has appointed Howard E. Thomas executive special agent on the home office agency staff, to handle special assignments for the liability and surety departments. He has had more than 20 years' experience

in insurance. Recently he has been with the Preferred Accident as branch manager and supervisor of production at Chicago, supervising nine states in the middle west. Earlier he traveled Illinois for five years for American-Associated companies.

Mr. Thomas was an office assistant for W. A. Alexander & Co. of Chicago and was with that firm 13 years, and before joining the St. Louis company was special agent of the Cook county brokerage department.

### U.S. Life Covers 14,000 New York Milk Drivers

United States Life will write group life, sickness and hospitalization on 14,000 milk truck drivers employed by 210 milk distributing companies in the New York metropolitan area. Provisions of a pension program to be worked out between the companies and the A. F. L. teamsters.

Martin E. Segal, insurance and pension consultant, who will serve as chairman of the plan, said each worker will receive a \$2,500 group life, weekly sickness benefit of \$40 for a maximum of 26 weeks and Blue Cross family hospitalization. Employers are paying for the plan at the rate of 10 cents an hour for each worker, with six cents for pensions and four cents for group benefits.

### Dog Insurance Spreads

"Advertising Age" states that the London Lloyds dog life insurance plan that has been under test in Utah for the past several months, by Pet Food Co. is to be extended nationally. The initial premium consists of a coupon from a can of Thanks dog food. The premium thereafter is 12 coupons a month. According to "Advertising Age" this may be reduced to 10 a month. The maximum indemnity is \$50 for natural or accidental death.

The general sales manager of Pet Food Co. was quoted as saying that about 19 out of 20 policies taken out have been maintained, although only about 20% of total purchases have brought coupon returns. Radio, newspapers and car cards have been used in the promotion. The business is written through the W. E. Lebby agency of Los Angeles.

### Usher Regional Manager

George J. Usher has been appointed regional manager for northeastern Ohio for Pioneer Mutual Casualty of Columbus. It writes automobile, hospitalization and A. & H.

Entering insurance while still in college, Mr. Usher specialized in insurance courses at Akron, Alabama and Miami Universities. For the past five years he has been Cleveland zone manager for State Automobile.

### New General Appraisal Office

General Appraisal of Seattle has opened a branch office at Salt Lake City in the Continental Bank building in charge of Charles D. Northrup, who has been with the company for many years.

March business of Massachusetts Protective and Paul Revere Life was the largest of any month in history. New A. & H. business set three new records during the period. Previous new business marks for a single day, a single week and a month were topped. Life volume for the first quarter was 10% greater than that of 1949.

Jack B. McGregor, who has been doing field work in Dallas territory for Aetna Casualty, has bought an interest in the Claude Meadows agency, San Angelo, Tex.

Milton W. Mays of Insurance Executives Assn. is the father of a baby girl.

### N. J. Bills to Hike TDB

Companion bills in the New Jersey legislature would increase temporary

disability benefits from \$22 for 26 weeks to \$26 for 26 weeks. Original bills asked for \$30 for 26 weeks and included some reforms business wanted, such as better control of malingering cases. The substitutes measure pretty well washed out the reform suggestions and reduced the asking price. Observers say some increase is probably inevitable.

### Neb. Case Involving Mich. Insurers Settled

The Nebraska attorney general has dropped the cases against Michigan Surety and Preferred of Grand Rapids, and upon payment of back taxes these companies are now admitted to resume business in the state. These companies were insuring trailers for a manufacturer in Michigan that were purchased under contract and the question arose as to the liability of these companies for Nebraska premium taxes due to the fact that they were not licensed in the state.

### Inform Public of Product, Aetna Students Advised

One of the major problems facing the salesman is a public uninformed in general on the many needs, uses and values of the salesman's product. William W. Galvin, Jr., Connecticut and western Massachusetts director of Marchant Calculating Co., said in an address before the 114th session of the Aetna Casualty sales course at the home office. Mr. Galvin added that selling requires optimism and enthusiasm. The salesman must not let himself become discouraged.

### O. K.'s 3 Surety Companies

The Treasury Department added Transit Casualty, Newark Fire and Camden Fire to the list of approved surety companies.

### Senate Sets Health Hearings

The Senate health subcommittee headed by Senator Murray will hold public hearings beginning April 18 on measures dealing with national health insurance and cooperative medical plans, including Senator Hunt's bill.

The subcommittee scheduled executive sessions beginning April 6 on Senator Hill's bill providing for a limited health insurance program, with the government paying premiums for coverage of low income groups.

### Am. F. & C. Highly Liquid

Assets of American Fire & Casualty at Dec. 31 amounted to \$3,779,993 and 95.89% of this amount is immediately liquid. Premiums amounted to \$4,879,392 and policyholders' surplus was \$742,325.

### Sexton Arizona Special

James W. Sexton has been appointed special agent of Maryland Casualty for Arizona, with headquarters at Phoenix.

### Penn Liberty to Enter Cal.

Penn Liberty of Philadelphia has applied for admission to California. Jack E. Wells Co., Los Angeles, will be general agent.

### Chicago Sales Conference

Indemnity of North America is holding a two-day sales conference at Chicago starting April 11. Most of the agents in Illinois and Wisconsin and a few from Indiana will attend.

The one millionth auto accident fatality will occur late next year or early 1952 John Cruickshank, chief safety engineer of U. S. Guarantee, told the Greater New York Safety Council. He said autos have killed more than all the country's wars.

American Progressive Health of New York has been admitted to Ohio.



Do the job RIGHT!

Insure  
**PERSONAL  
LIABILITY HAZARDS AND  
AUTOMOBILE  
LIABILITY HAZARDS....**

in **ONE POLICY!**

It's just a matter of habit... selling Comprehensive Personal Liability Coverage along with Automobile Liability. American's CP Policy is the one to use... auto and personal liability hazards are included in the SINGLE contract—with coverage on an occurrence basis. This is the policy underwriters choose for themselves... because they know the value of broadest protection.

AMERICAN CASUALTY'S  
"CP"  
POLICY  
(Comprehensive Personal  
Liability Including Automobile)

**American Casualty Company**

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99 John St., New York 7, N. Y.

REekman 3-5010

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### REINSURANCE

CONSULTANTS AND INTERMEDIARIES

"WE ARE WHAT WE DO"

CASUALTY • SURETY • FIRE • MARINE



## Public Wants Private System, Survey Finds

Most Americans would rather have their insurance managed by private companies than by the government, according to a recent Psychological Corp. of New York survey made with city and small town people from coast to coast. To the question, would you rather have insurance companies managed by the government, or insurance managed by private companies? 78% indicated they preferred private companies, 13% preferred the government, 9% were uncertain. Even in the lowest income group, 66% preferred private management.

## New G.A.B. Office in Tex.

General Adjustment Bureau has opened a new office at Longview, Tex., with W. R. Tubbs as manager. Mr. Tubbs graduated from Baylor University and has served with G.A.B. at Muskogee, Baton Rouge and Galveston and for two years has been at Fayetteville, Ark.

A. R. Marlow has been appointed assistant manager at Houston, and Charles B. King has been named general adjuster. Mr. King has been with Western Adjustment for 25 years.

The Houston office has been moved to new quarters at 2309 Fanmin St.

## Doctors, A. & H. Men Join

E. H. O'Connor, Insurance Economics Society, addressed a joint meeting of Omaha Assn. of A. & H. Underwriters, with about 400 in attendance, divided about equally among doctors and insurance men.

He said the nation has gone a long way down the path of the "handout state."

"Whether we realize it or not," he commented, "we are fast approaching socialization by taxation."

Mr. O'Connor said the nation is just

10 years behind England on a schedule planned by "designers of confusion" bent on destroying the competition of private ownership.

In advocating a compulsory sickness compensation and medical-care program, he asserted, the government wishes "to destroy the most successful medical system the world has ever seen, and substitute for it a system that has failed everywhere else."

"You cannot legislate good health into being any more than you could create temperance by the Volstead act."

## Meetings at Kearney, Neb.

Nebraska Blue Goose will install a Kearney puddle April 19, and the day following Nebraska Assn. of Insurance Agents will hold its regional meeting there for districts 5 and 6.

## Royal-Liverpool Tenn. Parley

NASHVILLE—A "flying-circus" panel discussion meeting here, sponsored by the Royal-Liverpool group, was attended by 125 agents from all parts of the state. H. D. Forrester, regional manager for Tennessee and Kentucky, presided. J. L. Erhardt, B. F. Weaver and M. W. Slawson from the New York office led the discussions.

## Rudolph Wismer Retires

Rudolph Wismer, assistant superintendent of the rating and inspection department of the Fire Insurance Rating Organization of New Jersey, has retired after 36 years with the organization.

The New York "Herald Tribune" last Friday featured with a two-column picture and extensive text the story of Wallace Stevens, vice-president of Hartford Accident. It was an interview in connection with his new book of verse to be published this summer. Just previously he had won the Bollingen prize in poetry at Yale.

He was quoted as saying that "It

give a man character as a poet to have this daily contact with a job. If I lived an academic life in a college, I don't believe I'd have half the reason for writing. This has been a life of my own choice." He is 70 years of age.

He is a lawyer and has been with Hartford Accident since 1916 and has been a vice-president since 1934. He composes his poetry in trains, at home, or wherever the urge seizes him. He said that he has never lost a thing by leading an exceedingly regular and disciplined life. He has never found it impossible to do about as much thinking and writing and reading as he wanted to do. He started writing poetry at Harvard where he specialized in English. For a short time he was a reporter on the New York "Tribune." He graduated at New York law school. He has produced seven previous volumes of poetry.

## Regional at Eureka, Cal.

A special day-long "convention-type" regional meeting in the northern part of the state is scheduled by California Assn. of Insurance Agents at Eureka, June 9. Plans are being made by Ivor J. Davies of San Rafael and Fred A. Peterson, secretary of the Humboldt County association. Mr. Petersen will preside.

Speakers will include A. W. Gilbert, general manager Pacific Fire Rating Bureau; Rollo E. Fay, manager National Bureau of Casualty Underwriters; Frank Colridge, general manager Pacific Board, and Harold D. Sammis, branch secretary of National Automobile Underwriters Assn.

## Set N. J. Annual Sept. 25-26

New Jersey Assn. of Insurance Agents will hold its annual convention Sept. 25-26 at the Hotel Claridge, Atlantic City.

## Postpone Ill. Fire Code Hearing

A public hearing on the proposed new

Illinois fire code was postponed for a second time and rescheduled for June 28. Fire Marshal Kelly of Illinois said that municipal officials wanted more time to study the provisions of the code.

## Elects Sales President

Portsmouth (N. H.) Assn. of Insurance Agents has elected Eugene P. Soles president. Miss Edith Shannon has been named vice-president and Mrs. Louise Hartley, secretary.

## Loss Men to Hear Stevens

Jay W. Stevens, assistant manager of National Board at San Francisco, will speak at the annual banquet of Pacific Coast Loss Assn. at San Francisco April 19. Roger Piro, North British, is president of the association.

## Pittsfield Board Elects

Arthur Bowlby has been elected president of Pittsfield (Mass.) Board of Insurance Underwriters. Other officers are Edward B. Karam, vice-president; Roger B. Sloper, secretary; and John J. Lynch, treasurer.

## Hold Public Relations Programs

Robert Harwood, Crum & Forster, secretary, and W. E. Booth, Cherokee Fire, chairman of the public relations committee, put on public relations programs before the Lions, Exchange and Rotary Clubs at Jackson, Tenn.

## Set Up W. Va. Examining Boards

CHARLESTON, W. VA. — Four boards to examine prospective agents have been set up by Commissioner Crichton at Martinsburg, Wheeling, Bluefield and Clarksburg.

No board was appointed for Charleston, as examinations will be given here by appointment with the department.

Paul C. Lettau of Youngstown, O., plans to take over the insurance agency of his father, Joseph L. Lettau, who died recently.

# 31st annual condensed financial statement

DECEMBER 31, 1949

ALL FORMS OF  
CASUALTY INSURANCE  
AND BONDS—FIRE  
AND ALLIED LINES

NATIONAL  
Automobile and Casualty  
Insurance Co.

HOME OFFICE: LOS ANGELES

Dallas • Houston • Indianapolis  
St. Louis • San Diego • San Francisco • Seattle

In Accordance with Requirements of the National Association of Insurance Commissioners

Cash in Banks and on Hand	\$ 1,232,076.73
United States Government Bonds*	7,416,840.20
State, County and Municipal Bonds*	929,918.50
Real Estate—Home Office Building	817,767.77
Premiums Outstanding—Not Overdue	1,730,788.92
Other Admitted Assets	—76,015.44

**TOTAL ADMITTED ASSETS \$12,051,376.68**

Reserve for Losses and Loss Expense	\$ 5,166,030.63
Reserve for Unearned Premiums	3,564,899.56
Reserve for Federal and State Taxes	326,604.23
Other Reserves	434,299.92

**TOTAL LIABILITIES \$ 9,491,834.34**

Capital Paid-Up	\$1,000,000.00
Surplus	1,559,542.34
<b>SURPLUS TO POLICYHOLDERS</b>	<b>\$ 2,559,542.34</b>
<b>TOTAL</b>	<b>\$12,051,376.68</b>

\*At amortized values.

On the basis of December 31, 1949, market quotations on Bonds, Total Admitted Assets would be increased to \$12,178,257.38 and Surplus to Policyholders would be increased to \$2,686,423.04.

# INSURANCE NEWS BY SECTIONS

## MIDDLE WESTERN STATES

### Auto Dealer-Agents of Ohio Perfect Organization

COLUMBUS — Independent Insurance Agents of Ohio held their first annual meeting here with several hundred



V. G. MARTIN

in attendance. Officers chosen at an organization meeting were formally elected as follows: David Towell, Akron, president; C. C. Edmonds, Lakewood, and J. E. Attaway, Cincinnati, vice-presidents; G. D. Simeon, Columbus, treasurer, and V. G. Martin, secretary. A code of regulations was adopted and C. C. Edmonds, Cleveland, spoke on "What Does an Insurance License Mean to the Dealer?" Speaker at the luncheon was Joe T. Lovett, Columbus, director of field service for the committee for constitutional government. Motors Insurance Corp. entertained with a cocktail party.

The association is composed of automobile dealers, whether or not they are licensed to write insurance. It was announced that no legislative program was considered and that the association is taking no part in the present political campaign.

The Ohio department recently heard the cases of three automobile dealers. It was charged that most of the insurance they had written was not uncontrolled business. It is expected that a decision will be handed down by the department within a week or 10 days.

Mr. Martin, the secretary, was at one time with the Ohio department and later with Ohio Assn. of Insurance Agents.

### Stiner Speaks at Lincoln

Fred K. Stiner, vice-president of Universal Surety of Lincoln, former assistant director of insurance of Nebraska, spoke to Lincoln Assn. of Insurance Agents on "New Agents' Licensing Procedure." He said upwards of \$20,000 a year would be saved by companies doing business in Nebraska through simplification of the procedure followed in obtaining agents' licenses. He also brought out that considerably more information concerning agents, companies represented, and length of time in the insurance business could be obtained through the use of card-punch equipment.

### Organize Educational Forum

An educational forum has been organized in Cleveland, sponsored by representatives of all the insurance organizations in Cuyahoga county. Membership is open to everyone in the industry, in-

cluding insurance officers of financial institutions, claim men, lawyers, teachers and buyers. This is a new departure in Cleveland since both stock and mutual groups are included.

W. E. Wilson, Aetna Casualty, is temporary chairman. N. Parker Berry, Accident & Casualty, is in charge of planning the first forum, May 15, a discussion of fire legal liability.

### Plan Industrial F.P. Session

COLUMBUS—A session on industrial fire prevention will be held in connection with the All-Ohio Safety Congress and Exhibit here April 11-13. J. M. Dickerson, vice-chairman of Ohio industrial commission, will preside and speakers will include James A. Waldron, Packard division General Motors, Warren; Charles R. Scott, chief of the fire prevention bureau, state fire marshal's office; R. B. Kurfiss, National Fire Protection Assn., Dayton, and L. E. Shingledecker, Mill Mutuals, Columbus.

### Leeman Dodge Co. Speaker

Wilson Leeman, supervising underwriter of New Amsterdam Casualty, Milwaukee, will discuss the comprehensive personal liability policy at the April 17 dinner-meeting of Dodge County Assn. of Insurance Agents at Mayville, Wis.

### Two Kansas Zone Meetings

Kansas Assn. of Insurance Agents and the Kansas public relations and educational committee are jointly sponsoring zone meetings at Russell April 19 and Concordia April 20. N. K. Nelson, Great American, Topeka, is chairman of the field men's committee.

### Certificate to Hutchinson

A certificate of merit for Fire Prevention Week activities was presented to Hutchinson in behalf of the Kansas Fire Prevention Assn. at a meeting of the city commission, with Arthur H. Lewis, chamber of commerce fire prevention committee chairman, Reuban P. Miller, Hutchinson Insurance Board chairman, both of the Wade Patton & Co. agency, and Paul Lewellyn, board president, participating. Ewing B. Ferguson, Kansas Inspection Bureau, Wichita, made the presentation.

## COAST

### Setup for Far West Agents Conference Is Announced

SAN FRANCISCO — Representatives from seven states will be in attendance at the Far West Agents Conference here April 17-18, according to E. E. Hayden, secretary-treasurer. The opening day will be given over to discussion of general business problems, and the next day will be highlighted by two forum discussions. The one in the morning will be presented by representatives of Pacific Board and Pacific Fire Rating Bureau; the afternoon forum will be staged by members of the National Bureau of Casualty Underwriters and National Automobile Underwriters Assn.

Delegations are expected from Arizona, Idaho, Nevada, Utah, California, Montana, Oregon and Washington.

### Management Institute Set

An institute for advanced agency management will be held at Stanford University July 9-14 under the auspices of California Assn. of Insurance Agents. Laurence Canfield is chairman of the

C.A.I.A. educational committee. Laurence J. Ackerman, University of Connecticut, will serve as coordinator.

The curriculum will comprise the study of the principles of business administration as applies to the operation of an insurance company.

### Wash. Assn. Officials Hold Spring Meet at Walla Walla

Washington Assn. of Insurance Agents executive committee held its spring meeting at Walla Walla.

K. Otto Logan, Olympia, outlined educational facilities which are available under sponsorship of local boards. Other reports on activities of the association were made. Membership is now 533.

Harold N. Mann, Tacoma, chairman of the casualty contact committee, reviewed recent developments in the casualty field, particularly the new experience rating plans. Roger Leidy, Walla Walla, chairman of the fire prevention committee, called attention to the need for vigilance in maintaining fire protection facilities as many localities are mushrooming beyond their previous corporate limits. Some of these communities are jeopardizing their National Board grading, he said.

### Potts St. Paul Production Chief on Pacific Coast

Glenn W. Potts has been appointed assistant manager in charge of fire, marine and casualty production in the Pacific Coast department of the St. Paul group. He and Joseph R. Laird will combine with the present agency department to take charge of the production, field and agency activities.

Mr. Potts started with St. Paul in 1937 as state agent in Oregon and Washington. After war service he became state of Washington manager for St. Paul and late in 1948 became assistant manager of St. Paul-Mercury Indemnity in the Pacific department.

Mr. Laird started with St. Paul as state agent at Fresno in 1947 after some 20 years previous insurance experience. Later he became executive state agent at San Francisco.

### Kitsap Assn. Elects Oldham

Kitsap County (Wash.) Assn. of Insurance Agents has elected Gene Oldham, R. S. Hayward & Co., Bremerton, president. Robert Giles of McCain, Beard & Giles, is vice-president and Lillian V. Hull secretary.

### Opens 2 New Cal. Offices

Barr Adjustment Co. has opened new offices at Riverside, Cal., with H. S. McElwain as manager, and Indio, Cal., with W. D. Porter in charge.

Mr. McElwain has served with Hartford Fire, National Liberty and National Surety. He also at one time was with Charles Burch, instigator of the Dean schedule. Mr. Porter started in insurance with the Loyalty group, later going with Liberty Mutual.

### Fireman's Fund Honored

SAN FRANCISCO—Fireman's Fund is to be honored at the luncheon meeting of Insurance Post 404, American Legion Thursday. Woodward Melone, assistant marine secretary of Fireman's Fund, speaks on inland marine insurance. David C. Bogert of Long & Levitt, insurance attorneys, is commander of the post.

### A. & H. Talk at Portland

J. E. Barry, manager of Occidental Life, spoke on A. & H. insurance at a luncheon meeting of Portland (Ore.) Assn. of Insurance Agents.

## EAST

### More Than 600 Attend Buffalo Insurance Day

BUFFALO—More than 600 attended the second Buffalo Insurance Day. Willis L. Jackman was general chairman.

State Sen. Walter J. Mahoney, chairman of the senate finance committee, urged unification of insurance men to prevent what he termed "this drift toward the socialistic slave state."

Blythe P. L. Carden, General Adjustment Bureau, said that "despite the constantly increasing prices of commodities the cost of insurance generally has declined" and that "insurance companies are striving constantly to improve relations with their public through reduction in rates so that the protection which they afford can be brought to a minimum cost."

The talks by John Glendening, vice-president of Home, and J. Dewey Dorsett, Assn. of Casualty & Surety Companies, were reviewed last week.

Other speakers included Robert Mulholland, Marine Office of America; Fred Anderson, field supervisor Aetna Casualty, and Harry C. Lautensack, president Buffalo Chamber of Commerce.

### G.A.B. Has Changes at Wheeling, Wilmington

General Adjustment Bureau has appointed John A. Shannon manager at Parkersburg, W. Va., succeeding Leo L. Kling, Jr., who has been transferred to Wheeling as manager. J. H. Halligan, Wheeling manager, has been transferred to Wilmington, Del. in the same capacity.

Mr. Shannon started with G.A.B. in 1946 and has served at Wheeling and Parkersburg. Mr. Kling has been with the bureau since 1937 at New York, Albany and Newark.

Mr. Halligan has been with G.A.B. for 14 years after service as adjuster with two companies. He has been at Pittsburgh, DuBois, Pa., and manager at Wheeling since 1947. At Wilmington, Mr. Halligan succeeds Meredith Carver, who has been assigned to Baltimore as staff adjuster.

Robert V. S. Richmond has been named assistant manager at Buffalo. He started with G.A.B. in 1945 after having been in the agency business, with New York Fire Insurance Rating Organization and Home and Norwich Union for 17 years.

### N. J. Mutual Agents to Meet

The annual meeting of New Jersey Assn. of Mutual Insurance Agents will be held at Hotel Hildebrecht, Trenton, May 5.

### Lewis Speaks at Camden

CAMDEN—Gage Lewis, assistant general manager of Fire Insurance Rating Organization of New Jersey, explained the recent changes in rates and rules in New Jersey to the Camden County Insurance Agents Assn. and Insurance Field Club of Camden. An open forum followed Mr. Lewis' address.

### Malone Speaks in Phila.

PHILADELPHIA — Commissioner Malone is to address Insurance Agents & Brokers Assn. of Philadelphia and Suburbs at a luncheon meeting April 13. He will discuss state regulatory laws. Members of the Pennsylvania industry conference committee who were instrumental in setting up the regulatory laws have been invited.



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## Famous American Homes

# THE HOUSE ON THE MOUND

HOME OF COL. H. L. DOUSMAN, Wisconsin Pioneer



THE prehistoric race of mound builders were perhaps the first of the long procession of men—explorers, soldiers, fur traders, missionaries, adventurers—who knew the site of Prairie du Chien. On one of the mound builders' strange earthworks, subsequently used as a tribal burying ground by the Fox Indians, American troops erected a crude stockade to protect their interests in the remote Northwest Territory during the War of 1812. It was called Fort Shelby and here in June, 1814 the American flag was raised for the first time "over any building in what is now Wisconsin." Captured by the British and renamed Fort McKay, it was burned by the Indians after its evacuation at the end of the war.

Fort Crawford, built on the same spot in 1816, was the scene of an outstanding event in medical history. Dr. William Beaumont here made his famous studies of digestion by observing Alexis St. Martin, a half-breed who had been wounded in such a manner that a permanent opening remained in the wall of his stomach.

After the removal of Fort Crawford to a new location, the land was acquired by Col. Hercules Louis Dousman, one of Wisconsin's great pioneers, who in 1843 completed



The drawing room has a crystal chandelier of antique Waterford glass

what he called "the house on the mound." In sharp contrast to the forts which had preceded it, the Villa Louis, as it came to be known, was a luxuriously furnished mansion where Dousman and his charming wife entertained on a lavish scale

Born in Mackinac in 1800, Dousman was one of the most important agents in John Jacob Astor's fur company and from his headquarters at Prairie du Chien controlled fur trade with the Indians over a vast territory. He also helped develop steamboat transportation on the upper Mississippi and was the owner of several packets, later lending finan-

cial aid to the introduction of railroads. Besides the business acumen which enabled him to amass a fortune, Dousman had great influence with the Indians, and knew several of their languages. His tactful arbitration was often responsible for averting violent outbreaks.

After the Dousmans' death, their only child, Hercules L. Dousman II, used the estate for breeding race horses. Known as the Artesian Stock Farm, it had its own cork race track.

In 1935, the estate was deeded by the Dousman heirs to the city of Prairie du Chien and has been developed as Dousman Municipal Park. Through gifts from members of the Dousman family "the house on the mound" has been furnished with many of its original appointments and appears much as it did in the days when a pioneer lived side by side with the Indians.

\* \* \*

The Home, through its agents and brokers, is America's leading insurance protector of American homes and the homes of American industry.

## ★ THE HOME ★ Insurance Company

Home Office: 59 Maiden Lane, New York 8, N. Y.  
FIRE • AUTOMOBILE • MARINE  
The Home Indemnity Company, an affiliate, writes  
Casualty Insurance, Fidelity and Surety Bonds

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America Fore National Advertising calls attention to Bonds this month. Did you know that The Fidelity & Casualty Co. of our group is the pioneer bonding company in America? A fine company to represent not only for bonds but for all lines written by a casualty company.



A bond  
for ME?  
I'll never  
need a  
bond!



That's what you  
may think NOW  
by don herold

Any one of us ordinary people may need to put up a bond for one of many reasons, some unexpected day.

Of course you may not need a bond tomorrow or next week or for next Christmas—but someday. Anyway, it won't hurt you to let me tell you a little about 'em, in case.

For example, you may need a bond if you are ever appointed an administrator or (lady) administratrix of an estate, or an executor or a guardian.

Or, as an individual or business, you may need, for example, a bond to guarantee court costs if you sue somebody—or a "replevin" (repossession) bond if you have to ask the sheriff to

retake something you've sold (to protect the sheriff in case it's a mistake)—or an attachment bond if you want him to seize property to cover a debt to you. And so on.

When your "bond time" comes, resolve now not to impose on a friend or relative to take the risk for you. Get your bond from a company which makes a business of providing them—such as The Fidelity and Casualty Company of New York, an old member of the America Fore group of insurance companies.

For a nearby America Fore agent, call Western Union by number and ask for Operator 25.

THESE FIVE COMPANIES COMPOSE THE AMERICA FORE INSURANCE GROUP  
CONTINENTAL • FIDELITY-PHENIX • NIAGARA • AMERICAN EAGLE  
FIDELITY AND CASUALTY COMPANY OF NEW YORK  
BERNARD M. CULVER, Chairman • FRANK A. CHRISTENSEN, President

LOOK FOR THIS SEAL ON YOUR POLICIES

**America Fore**  
INSURANCE GROUP



Throughout the year  
America Fore advertising  
will appear in:

- THE SATURDAY EVENING POST
- LIFE
- NEWSWEEK
- TIME
- BETTER HOMES AND GARDENS
- SUCCESSFUL FARMING

